FINANCIAL TIMES, May 29, 1976

FINANCIAL TIMES

Saturday May 29 1976 *10p

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NEWS SUMMARY

GENERAL

Rees in Dublin for talks

Irish Garda and the Royal Ulster Constabulary are to improve co-operation procedures as a result of several hours of talks in Dublin yesterday between Mr. Merlyn Rees, Mr. Garret Fitzgerald, Irish Foreign Affairs Minister, and Mr. Patrick Hillery, Justice Minister.

The British team repeatedly stressed the Irish that border incidents such as that which led to the arrest earlier this month of eight Special Air Service officers by Irish police, will not occur.

The police "hot line" or special radio network has not been ruled out and the Ministers also discussed implementation of the Irish fugitive offenders jurisdiction Acts which allow terrorists to be tried in Ireland or England for crimes in Ulster.

In Belfast, militant Protestants told yesterday that vigilante patrols, some armed, would be on the streets from Sunday night.

A bomb exploded during a Orangemen' sing-song in a packed pub bar in Belfast last night. At least 10 people were hurt — none seriously — when the bomb blasted through the bar which is close to Queens University. Page 9

Concorde for Australia

Concorde is to be allowed into Australia and British Airways will start flights to Melbourne early next year. But there is still doubt whether India will permit supersonic overflights on the route which would cut the present journey time from London by almost 10 hours. Page 13

Soviet ship here

Demonstrators for Soviet Jewry and the Young Liberals met the Russian missile destroyer Obraztsovy which arrived on a courtesy visit at Portsmouth yesterday. Later, Vice-Admiral Leonokov claimed that Soviet naval expansion was aggressive. Picture, page 7

New death threat

Italian kidnappers of the teenage daughter of Belgium's ambassador to Mexico, Nadine Chaval, added a second death warning yesterday after their first deadline for $800,000 ransom had passed.

Firemen hurt

Seven of 60 firemen tackling a chemical works fire in London last night were overcome by toxic fumes and smoke after explosions. About 200 people living or working nearby were evacuated.

Siamese twins

There was hope last night for the survival of the Siamese twin girls born early in the day at a Brighton, Sussex, hospital. No attempt will be made to separate them for at least two weeks. Britain's last Siamese twins born in January, died shortly after birth.

Jack in lead

Christy O'Connor (66) and Tony Jacklin (67) made gratifying comebacks to British tournament golf yesterday to head the leaders a stroke after the first day of the Jacklin Jubilee PGA at Royal St. David's.

People and places

Former Prime Minister Harold Macmillan, in hospital with blood infection, was reported "comfortable" last night, but he will not undertake any engagements for several weeks.

At least 60 of flood victims in the Philippines rose to 150 dead and thousands stranded.

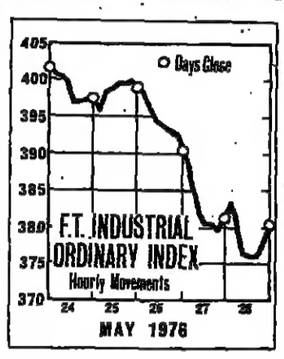
Dartmouth, 46, daughter of Princess Barbara Cartland, was married yesterday by the ninth Earl Spencer.

A wealthy Libyan bought an 18th century English rose exhibit at the Chelsea Flower Show for £600.

BUSINESS

Shares at 1976 low, Wall St. up 10

● **EQUITIES ended above the day's worst on bear closing, with the FT 30-share index 0.8 lower at 360.4. The close was**



its lowest for the year, showing a 40.4 fall over the last 18 trading days since its 1976 peak of 420.8.

● **GILTS moved erratically, and ended with gains of between ¼ and ½ in shorts and no change in mediums and longs. The Government Securities index put on 0.03 to 61.32.**

● **STERLING again fell sharply, closing at its worst level against the dollar, at $1.7585, for a loss of 1¼ cents. Its average depreciation widened to 39.6 per cent. (39.2) while the dollar's narrowed to 1.14 per cent. (1.33).**

● **GOLD lost $¼ to $125¾.**

● **WALL STREET closed 9.66 up at 975.23.**

● **FINANCE HOUSES ASSOCIATION is to raise its base rate by 1 per cent. to 10 per cent. from June 1. In the U.S., several of the big banks have lifted prime rates from 6¾ per cent. to 7 per cent.**

● **NEW YORK Stock Exchange study has determined the feasibility of options trading on the big board. Page 11**

● **OIL COMPANIES have given a qualified welcome to the Government's draft terms for the fifth round of production licences expected at the end of the year. Ashland Oil has bought a substantial stake in the North Sea Brae Field from Bow Valley. Back Page and Page 9**

● **UNCTAD IV may end shortly without agreement over a Third World countries' raw materials common fund. Back Page**

● **DEVELOPING countries might default on debts because of world economic pressures, but it was vital that this should not provoke a chain reaction, Sir Jeremy Morse warned an international bankers meeting. Page 7**

Banks 'failed to help'

● **ENGINEERING Industries Association has criticised banks for failing to share the risks of the industry's export efforts. Page 7**

● **IRON and Steel Trades Confederation and the Steel Industry Management Association have agreed draft terms of amalgamation. Page 13**

● **INTERNATIONAL ART market shows a marked return of confidence, as six record prices were paid for paintings at a New York contemporary art sale. Page 13**

● **A NAME CHANGE is being considered for the Slater Walker group of unit trusts. Page 7**

● **VOLKSWAGEN hopes to locate its planned U.S. car assembly plant at a disused Chrysler factory in New Stanton, Pennsylvania. Page 11**

BRIEF PRICE CHANGES YESTERDAY

(Prices in pence unless otherwise indicated)

RISES

Distillers	138	+ 4
(W. W.)	34	+ 17
Geyser Siddeley	440	+ 6
Davis (H.)	112	+ 6
Jones' Lamp	926	+ 26
Tower Oil	£15	+ 1½
Burns (U.K.)	140	+ 12
Tina	285	+ 20
Continental	£10¾	+ 1
Exploration	£13½	+ 1

FALLS

[illegible]	145	− 7
Minders Discount	205	− 7
J. Dairies	200	− 10
Tower Fell	88	− 10
[illegible]	365	− 8
British Sugar	330	− 13
British Vita	94	− 5
[illegible]	110	− 7
Dawson (J.)	53	− 4
Guinness Peat	191	− 6
Intnl. Paint	315	− 15
Johnson Matthey	370	− 8
McBride (R.)	163	− 9
Ransome Sims and Jefferies	125	− 10
Redfearn Nat. Glass	80	− 6
Sedgwick Forbes	262	− 6
Taylor Woodrow	266	− 6
Thorn Elect.	228	− 6
Utd. Newspapers	268	− 8
Utd. Scientific	119	− 9
Vantona	85	− 6
Ward and Goldstone	80	− 7
Wettern Brothers	66	− 4
Yarrow	176	− 6
Peacock Sasini	44	− 3
Buffelsfontein	£10¼	− ½
Elandsrand	195	− 10
Leslie	47	− 7
Randfontein	£18½	− ½
St. Helena	£15½	− ½

Public spending cuts being worked out

BY SAMUEL BRITTAN and ADRIAN HAMILTON

AN URGENT round of public spending curbs is being worked out in Whitehall to offset overspending which has taken place in this financial year.

Consideration also is being given to a major round of cuts in existing expenditure programmes over and above these curbs as part of a package to stabilise sterling. Possibly these cuts may come in conjunction with a new loan from the International Monetary Fund—although a decision has not been taken because of continued differences of opinion within the Government.

The Government's immediate worry is the way in which public spending increases in the last few months have committed almost all the £700m. contingency reserve on which Mr. Healey has laid such stress. The object of the latest curbs, largely approved at a recent Cabinet meeting, is to ensure that the reserve is not heavily overdrawn in the months ahead.

Of the £700m. contingency reserve for 1976-7—introduced to take account of additional calls beyond those estimated in the public expenditure White Paper—about £525m. has been absorbed by excess spending of English and Welsh local authorities.

This excess spending is at constant prices and is 6 per cent. more than was assumed in the Expenditure White Paper.

The subsidy concessions and other expenditure increases announced after the recent pay agreement with the TUC account for another £50m. Most of the remainder of the contingency reserve has been taken up by other planned or actual spending increases.

The effect of the curbs will not become apparent immediately but they are being felt by agencies in charge of capital spending projects. They could have a significant impact on further calls on the public purse such as the request from Rolls-Royce (1971) for aero-engine launching aid and capital restructuring, further investment in British Leyland and any major new aid to shipbuilding once it is nationalised.

Disagreement

While the curbs generally have been agreed by Cabinet, there is continuing disagreement among Ministers on whether it is necessary to go further and make additional cuts in expenditure already approved in the White Paper in order to meet the currency crisis.

Some Ministers believe that expenditure is too high without the latest overrun and there is considerable support for a package to relieve the pressure on sterling. In view of the political climate and the need to reassure unions, officials and Ministers wanting such cuts are still reluctant to bring them to a Cabinet battle.

Nevertheless, the fall in sterling is being taken seriously. If it were to go more than a few cents further, the Government would be urged strongly to take immediate action.

While the Left will argue in favour of direct action to restrict import credit and secure prompt payment across the exchanges, the "social democrat" Ministers have no doubt that public spending curbs must be included in any package.

The two types of measure are not mutually exclusive. With a projected public sector borrowing requirement of £12bn., spending cuts would have to amount to about £2bn. If they were to be worth the political struggle to have them approved. Such cuts would be necessary in any case to satisfy the IMF in any major new drawing.

Contingency measures to give the Government direct control over local authority spending have long been in existence and could be introduced in Parliament as a last resort. There has long existed also a contingency package of demand restraints which have a heavy emphasis on indirect tax increases. But, apart from the Chancellor's reluctance to curb demand before the unemployment figures have gone down, indirect tax increases are disliked because of their effects on retail prices.

Those Ministers and officials who adhere to the original Budget strategy still pin their hopes on a recovery in sterling, which technically is oversold. But the advocates of early action are worried about the short-term behaviour of prices in the next few months under the influence of the recent sterling depreciation.

The Retail Price Index rose by 1.9 per cent. in April and there are likely to be further jolts in the summer months. The fall in the pound so far this year could add 4 per cent. to prices.

Influence

The danger foreseen by critics of the "unlimited sinking" of sterling is that the domestic price effect not only puts at risk the pay agreement but may influence the foreign exchange market and thereby become self-perpetuating. The advocates of an unimpeded continued float argue that this cannot happen if money supply is under control. But they are embarrassed by the lack of clear public commitment to a money supply target.

There are, however, some indications that May money supply figures will look less alarming than the April ones, which showed an underlying rate of

Continued on Back Page

Shipyard Bill: Mrs. Thatcher declares war

ALL-OUT Parliamentary war was declared on the Government by Mrs. Margaret Thatcher last night after Mr. James Callaghan, the Prime Minister, had refused all demands to hold up Parliamentary progress on the Bill nationalising the major parts of the aircraft and shipbuilding industries.

After a half-hour Commons meeting with the Prime Minister, an angry Mrs. Thatcher said there was no longer any basis of trust or fair dealing between the Government and Opposition, so the decision to suspend pairing

SNP seeks own terms, Page 7; Man of Week and Shipping must slim, Back Page

and the usual co-operation between the parties at Westminster would stand.

The Conservative leader accused the Government of winning by one vote the crucial division on the nationalisation Bill on Thursday night by "breaking a pairing pledge." Ministers insisted that this was not the case.

The icy interview with Mr. Callaghan, attended by Mr. Michael Foot, Leader of the Commons, and both the Government and Opposition Chief Whips, showed the Government determined to press ahead with the Bill, and Opposition leaders equally determined to resist what they regard as a flagrant flouting of Parliamentary conventions.

After the breakdown of normal relations, many MPs believe that the difficulties the Government will face in completing its legislative programme brings the prospect of a General Election significantly closer, although Mr. Callaghan went out of his way yesterday to dismiss talks of an early appeal to the country.

An all-out Parliamentary war, with no pairing and no agreement on a business timetable, would mean Ministers would be unable to travel abroad on Government business.

There would also be the prospect of legislation being killed off by a sudden ambush.

In a statement after the meeting, Mrs. Thatcher said the purpose of seeing Mr. Callaghan had been to discover whether the Premier, recognising that the Government had won the division because of "an irregularity" was nevertheless determined to hold on to the result of the vote.

But Mr. Callaghan insisted he would not go back on the result as the Government had acted in good faith.

All he would promise was to take any action to remove the sense of grievance short of interfering with the passage of the Bill. This proved quite unsatisfactory to Mrs. Thatcher.

Many MPs were in a tumultuous mood yesterday after the turbulent scenes of the previous night. Mr. Michael Heseltine, "sacked" Industry Secretary, apologised in the Commons for removing the Mace after Labour Left-wingers had sung the Red Flag, but signs were that his behaviour has not endeared him to his senior colleagues.

The question remains whether the Government can get the Aircraft and Shipbuilding Bill on to the Statute Book this session. It will start its delayed Report Stage on Tuesday and Wednesday week.

John Wyles writes: Shipbuilding companies' shares seesawed after the Commons vote and only one company, Robb Caledon, recovered the position it held at 40p on Tuesday night before the constitutional wrangle started.

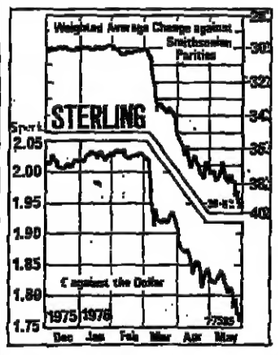
Naval shipbuilders fared worst. Vosper Thornycroft dropped 3p to 75p and Yarrow Shipbuilders fell 8p to 176p. However, both companies closed only 2p behind their Tuesday positions.

Pound falls to new low in thin exchange markets

BY MICHAEL BLANDEN

THE POUND dropped to new lows again yesterday in exceptionally thin exchange markets, while the pressures were increased by a renewed upturn in interest rates in New York.

At one stage, sterling had lost nearly 2 cents against the dollar before coming up to close at $1.7585, a fall of 1¼ cents. The effective depreciation of the pound from December, 1971,



levels widened again to a record 39.6 per cent., compared with the previous night's 39.2 per cent.

In spite of the continued pressure there was little indication of immediate official action to counter the drop in sterling yesterday. The market felt that any intervention by the Bank of England had been only on a very small scale.

Moreover, contrary to expectations in the money markets on Thursday, the Bank's minimum lending rate was unchanged at 11½ per cent. after it had become clear that the authorities were not encouraging a further increase.

The official view appeared to be that the market conditions yesterday were totally unrealistic and that, while the fall in sterling was worrying, it was not a day for taking important new initiatives.

The fall in sterling reflected both a number of significant selling orders, reported to be from commercial sources, and a general strengthening of the dollar. At one stage the pound was quoted as low as $1.7500-25.

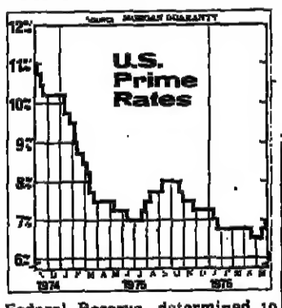
This arose because much of the Continent was still relatively inactive after Thursday's Ascension Day holiday. London and New York are shut on Monday; and the U.S. market was effectively closed for practical purposes yesterday afternoon as dealers took off for their meeting in Washington.

The increased prime rates and helpful economic news, brought improvement in the dollar against major currencies, apart from the Swiss franc. The dollar's effective depreciation narrowed from 1.33 per cent. to 1.14 per cent.

● **Jay Palmer writes from New York:** The rise in U.S. prime rates was led in the morning by Citibank, which lifted its rate to 7 per cent. from 6¾ per cent. The move came amid widespread money market speculation that Thursday's drop in the latest weekly money supply figures need not necessarily prompt any immediate easing in the U.S. Federal Reserve Board's present tight credit policy.

The upward move by Citibank, a direct reflection of the sharp increases seen in virtually all key money market interest rates over last week, was followed by a number of other large U.S. banks, including Bank of America, Chase Manhattan, Manufacturers' Hanover, Chemical Bank and Bankers' Trust.

For six or seven weeks the



Federal Reserve, determined to cut the growth in money supply to targeted levels and thus diminish the danger of rampant inflation, has consistently intervened in the money markets to force the Federal funds rate higher.

Since mid-April the Fed funds rate has risen from 4¾ per cent. to 5½ per cent., and yesterday it briefly topped 5¾ per cent. Other market rates have moved higher in line with 90-day commercial paper, the basis for Citibank's prime rate formula, jumping 25 basis-points to nearly 5.7 per cent. last week alone.

The Fed's tighter credit stance produced its first big victory on Thursday, when money supply figures for the week ending May 19 showed their first drop in two months. M1, the total of private demand and checking accounts plus currency in circulation, fell to $303.1bn. from $304.6bn. in the previous week.

Editorial comment Page 12

£ in New York

	May 28	Previous
Spot	$1.7670-7690	$1.7725-7735
1 month	0.90-0.85 dis	1.01-1.96 dis
3 months	2.55-2.60 dis	2.61-2.54 dis
12 months	8.60-8.50 dis	8.60-8.50 dis

Oil price rise postponed

BY ROBERT GRAHAM

AFTER two days of tough bargaining, the Ministerial conference of the Organisation of Petroleum Exporting Countries ended here this evening having failed to reach agreement on an increase in the basic price of crude oil or the complicated, thorny issue of differentials.

With Saudi Arabia continuing to oppose a rise, the price freeze in force since last September will continue for the time being and probably at least until the end of September. An extraordinary conference may be held within the next three months to resume discussions on the questions of price and differentials, but the Ministers may decide to wait until the next scheduled ordinary conference in Doha, Qatar, in December.

There has been a complete stand-off situation here. No one country has been really willing to challenge Saudi Arabia's determination to freeze prices until the end of the year. Nor have they been prepared to opt for a compromise solution whereby the freeze would continue until September or October which according to some experts would be a better time to gauge world demand. And so the basic price continues to be $11.51 for the Arabian Light "marker" crude.

The conference has therefore achieved remarkably little except to demonstrate that OPEC values its unity and is anxious to avoid anything which might push Saudi Arabia into going it alone.

The three resolutions of the conference were to refer the price and "differential" issues back to the economic commission, to deplore the attitude of the consumers towards the producers, and to announce support for the group of 77 in Nairobi in their talks with the industrialised countries.

The FINANCIAL TIMES will NOT be published on Spring Bank Holiday Monday, May 31

On crude prices, the difference has been over questions of principle and of timing the next rise. The Saudi Oil Minister, Sheikh Ahmed Zaki Yamani, has apparently been even more determined this time than in Vienna in September to ensure a price freeze.

The consequences of risking such a confrontation between him and the so-called "hawks" led by Iraq, Libya, Nigeria and Venezuela has clearly proved sufficiently serious to persuade the OPEC ministers to re-examine their positions.

A degree of agreement has been reached already on differentials which will permit a downward adjustment of the heavier Gulf crudes. For the Gulf as a whole a consensus is believed to be not far off. Late to-night in separate and informal discussions efforts were being made to fix both a new date for an extraordinary meeting and for firm guidelines to discuss differentials by the economic commission.

The price issue received less airing than the matters of "differentials."

Ray Dafter writes: Although the postponement of an oil price rise will be particularly welcomed in the U.K., where imported crude bears heavily on the balance of payments deficit, major companies may still apply for an increase on petrol, fuel oil and other products later this summer or early autumn, to offset the effect of the falling pound.

The devaluation of sterling has added an estimated £270m. to £300m. to the company's annual crude import bill since November.

Wall St. reacts, Page 16

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The week in London and New York

Sentiment sinks further

ONLOOKER

Another bad week for investor confidence has seen both sterling and equities sinking to new lows, and although markets were steadier after hours yesterday the outlook for the new account remains totally uncertain. The 30-Share Index has now tumbled 18.6 points in three days for a decline over the account of 24.2 points to 380.4. It is now almost a tenth below the peak of 420.8 reached on May 5. Falls among gilts this week extend up to £2 at the short end while yields among the longs can now be found in the 14¼ per cent. range.

MLR's failure to rise yesterday was almost as unexpected *at its one point increase a* week earlier. For the performance of sterling following Monday's modest attempts at a rally seemingly left the Bank of England with little option but to push up interest rates for the second week running. As it is the pound closed 2¼ cents lower against the dollar on the week leaving the gilt market on very uncertain ground. Money costs in the U.S. continue to edge higher.

In equities, the worst offenders among the 30-Share Index constituents up to Thursday were Courtaulds (see later story) and Dunlop, while United Drapery Stores and Vickers were showing marked resilience. Gold shares have jumped a net tenth over the past three days.

TOP PERFORMING SECTORS IN FOUR WEEKS FROM APRIL 29

	% Change
Food Retailing	+ 0.2
Oils	— 0.1
Tobaccos	— 0.3
Breweries	— 1.3
Shipping	— 1.4
Toys & Games	— 1.7
All-Share Index	— 5.3

THE WORST PERFORMERS

Building Materials	— 9.5
Lt. Electronics, Radio & TV	— 9.6
Insurance (Life)	— 9.7
Entertainment & Catering	— 9.9
Contracting & Construction	—10.6
Hire Purchase	—17.2

Debt squeeze

Led by NatWest, the clearing banks duly lifted their base rates on Monday. MLR may have stayed put yesterday but it is still more than a quarter higher than it was at the end of April which has put money costs back up to their levels of last autumn. An increase in borrowing costs of this sharpness has predictable consequences for most companies, but for the property and hire purchase sectors it comes as an especially severe blow. Over the past six trading days property and hire purchase shares have been very weak against the market with the sectors falling 8 per cent. and 13 per cent apiece.

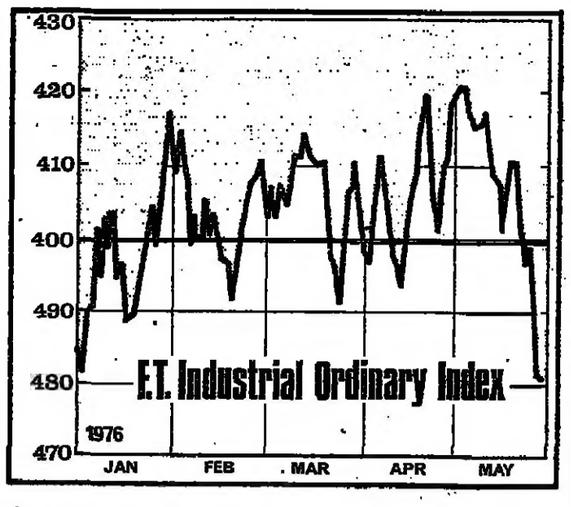
For the property sector one effect of higher borrowing costs is to extend the delays before developments come into surplus. Most groups have (via asset sales) been cutting back on short-term borrowings as best they can lately but plenty of companies still look very vulnerable on this account; British Land has toppled by a quarter this week. As for the finance houses, the "Lifeboat" candidates like United Dominions Trust—which is already paying more than the market rate—are among the hardest to be hit by any tightening of their debt squeeze. UDT has declined by a full 22 per cent. in six trading days while the shares of Lloyds and Scottish are 15 per cent. lower.

Poll winner

An eventful week in the public life of the newly knighted Sir James Goldsmith culminated on Thursday, when the Cavenham EGM approved by a very large majority (in a low poll) the proposals for buying the outstanding shares in Générale Alimentaire. The deal, which will give Cavenham access to GA's liquid assets, involves a share issue to Générale Occidentale—Sir James' master company—as a result of which its holding in Cavenham will rise from 39 to 51 per cent.

The Goldsmith interests already had effective control of Cavenham, and supporters of the latest deal claim that the fact that it will make Cavenham a subsidiary of the French company is actually a coincidence. But it has not made Cavenham any new friends among the institutions, who have never been very enthusiastic about a group which still has an extremely complicated corporate structure, and which is so closely identified with the fortunes of an individual entrepreneur.

So there are now three requirements for Cavenham to meet. A lot more detail is needed about the financial structure and strategy of Générale Occidentale—which would presumably come with the mooted London listing. Much more information is also required about the financial performance of Cavenham's individual operations—and the accounts for the year ended last month would be an obvious place to start. Finally the underlying trends can only be sensibly assessed if the group is given a quiet period in which to consolidate. Only if all this happens will the institutions start to take note of what on paper looks like a cheap share price.



Frothy Bass

The brewers have until recently been noticeably weak against the market, which is hardly surprising after a 3½ per cent. fall in beer production in the first quarter of this year and a continuing sharp decline in wines and spirits sales. But share prices have been firmer over the last couple of weeks as various signs have appeared that the worst may now be over. Profits at the start of the current results reason from Bass—and two leading regional groups—have certainly been well up to expectations.

Bass, which increased its half-year profits by just under a fifth to £28.2m., is likely to be ahead of other majors, partly because of its big share (about 29 per cent.) of the rapidly growing lager market, and its relatively lesser dependence on wines and spirits than, say, Allied. The two regional brewers, Greenall Whitley and Wolverhampton and Dudley, both managed interim advances of around two-fifths and their success partly reflects a more general shift in market share away from certain national beers.

While results like these and the relatively high yields offered may result in a recovery in brewery ratings, enthusiasm is likely to be restrained. After all, any profit increases for the summer half year will probably be small since comparison is with an exceptionally buoyant period last year. Moreover, there are few signs yet of any pick-up in sales of wines and spirits though Bass, for instance, is hoping that it will not have to make any further write-offs on its wine stocks.

Worst offender

Courtaulds was no help to the market on Thursday with profits for 1975-76 down by £82.2m. to £46.3m. before tax and exceptional items. Earnings were expected to emerge sharply lower but even so the shares closed 7 per cent. lower on the week at 138p; at these levels they might just begin to tempt the brave. Courtaulds' overseas operations have an accounting year which closes three months ahead of the group date of March so these results have not taken in any of 1976's recovery in the U.S. At the same time the trading picture is brightening generally—U.K. man-made fibre output rose sharply in the first quarter of 1976—and Courtaulds stands to gain usefully this year from 1975's reorganisation measures which cost close on £10m. The shares yield 7 per cent., and the balance-sheet still contains net cash in the region of £70m.

MARKET HIGHLIGHTS OF THE WEEK

	Price Y'day	Change on Week	1976 High	1976 Low	
F.T. Ind. Ord. Index	380.4	—21.2	420.8	380.4	Weak £ undermines confidence
F.T. Gold Mines Index	173.3	+10.5	246.9	140.1	Revived U.S. interest
Treasury 13½% 1997	£98½	— 2¼	£102½	£88	Rising interest rate fears
Artagen Properties	84	+ 4	85	63½	Rejected New Sun Life bid of 84p
British Home Stores	346	—19	377	328	Chairman's statement
BP	653	—32	685	575	Partly Alaskan pipeline problems
Courtaulds	138	— 9	169	133	Disappointing results
Hay's Wharf	62	—10	100	62	First-half fall in profits
Hogg Robinson	165	—17	187	143	Profit-taking after recent strength
House of Fraser	83	— 5	95	72	First-quarter loss
Intereuropean Properties	59½	— 7½	78½	40	Faded bid hopes
International Paint	315	+20	330	250	Record figures
Land Securities	153	— 7	198	150	Pressure on interest rates
Marley	88	—10	109	88	Selling after interim report
Morris (H.)	112	— 6	118	64	Monop. Com. reject merger bid
Ozalid	132	—15	149	114	Results due June 10
Sandhurst Marketing	20	— 5	38	20	Termination of bid talks
Swan Hunter	47	— 9	59	43	Shipbuilding nationalisation battle
Transparent Paper	50½	+ 5½	51	40	Satisfactory results
Waite & Son	87	+ 7	87	65	Cash bid of 90p from Fairzone

U.K. INDICES

Average week to	May 28	May 21	May 14
FINANCIAL TIMES			
Govt. Secs.	61.88	63.41	63.52
Fixed Interest	62.17	63.43	63.23
Industl. Ord.	389.7	405.7	412.3
Gold Mines	166.9	169.7	185.4
Dealings mkd.	6,886	5,882	5,387
FT ACTUARIES			
Capital Gds.	148.42	154.45	156.49
Consumer (Durable)	128.70	135.36	136.77
Cons. (Non-Durable)	149.9	155.73	156.52
Ind. Group	154.91	160.88	162.51
500-Share	173.72	179.88	180.50
Financial Gp.	129.77	133.68	135.08
All-Share	162.51	168.22	169.10
20-year Govt.	49.35	51.06	50.99
Red. Debs.	52.06	52.22	51.40

Late rally lifts market from three-month low

BY JAY PALMER

NEW YORK, May 28.

OPENING the week on an especially sour note, Wall Street's Dow Jones Index moved steadily lower over the first few days of the week to stand, as of Thursday night's close, at a new three-month low. Monday's drop of 19.22 points represented nearly a full 2 per cent. decline in the DJII (the other more widely based indices also moved sharply lower) and was a new record daily drop for this year.

But despite the slide, many already argue is near exhaustion, the outlook is not entirely *glum. As with the market's* other major 1976 drop in the first week of April, Wall Street's current fall occurred in exceptionally low trading volume.

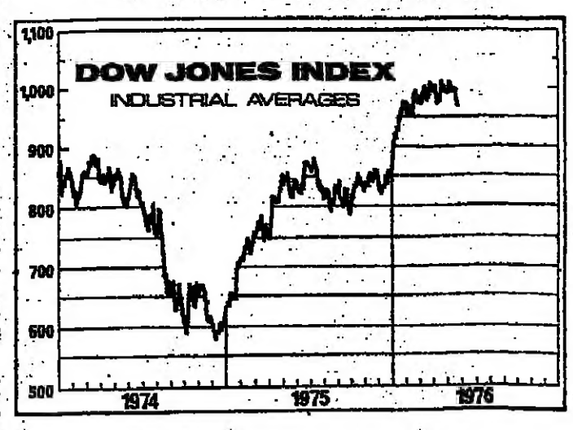
To-day's rally parried much of the loss with a 9.66 spurt in the DJII to 975.23.

At the same time, there is on Wall Street a very strong feeling that prices simply had to move lower before anyone could begin to talk convincingly about any strong upward breakout through the 1,051 level to a new record high. "Wall Street's inability to hold ground above 1,000," one trader commented, "gave the bears some very strong ammunition for their very short-term forecasts."

Indeed there is a growing conviction that it is no longer necessary to talk about the market moving back into the 800s before it can move higher. The way the economy is moving, one review noted, there are no arguments for a correction on anything but emotional grounds. On both a fundamental and technical basis, the upside potential is immense.

The immediate weakness can, once again, be attributed largely to continuing strong fears over rising interest rates and inflation. At the same time, though, there are such other lesser negative factors as worries that consumer confidence is waning, capital spending is slowing and, perhaps more critical, that the institutions are even now near fully invested. Furthermore, immediate downside pressure is accentuated by the current very high level of new equity offerings (about $1bn. a month) which is acting to soak up excess funds which might otherwise have fuelled a rally.

But of all these factors, the absolutely dominant cause for concern is the continuing tightening of monetary policy by the Federal Reserve Board — the latest symptom of which is this morning's widespread jump in bank prime lending rates to 7 per cent. The Fed has allowed the key Federal Funds Indicator to rise more than 80 points over the past month and a half and, over the same period, most short-term money market rates have moved higher in line.



In the bond markets, the higher rates are already encouraging some would-be borrowers to defer their plans. With the fears of over-supply, a major factor in the sharp fall in bond prices seen in recent weeks, already abating, current forecasts seem confident that longer-term corporate yields are now close to their peaks.

A further plus point is the way that the money supply, after moving strongly higher over the last two months, fell in the week ending May 19. Figures released by the Fed last night showed both M1 and M2 moving lower. While the three-month moving average of money supply growth remains well above Fed targets and the danger of fresh bouts of inflation can still not be discounted, there is a strong hope that the policy of steadily squeezing credit may now be over.

Even if it is still far too early to start talking about any moves to actually ease credit, Wall Street's view is that now the spectacular gains in corporate profits could be strong enough to spark off a rally. At the very least, the economic fundamentals remain bullish with real Gross National Product up 8.5 per cent. in the first quarter. With concern over inflation and credit policy lessening, the upward breakout could indeed be imminent.

	Close	Change
Monday	971.53	—19.22
Tuesday	971.70	+ 0.16
Wednesday	968.63	— 3.06
Thursday	965.57	— 3.06
Friday	975.23	+ 9.66

Mining — Daar kom die Afrikaners

BY KENNETH MARSTON, MINING EDITOR

. . . which being broadly translated means "here come the Afrikaners" as they have this week's news that the Union Corporation gold-platinum group has become effectively a subsidiary of the Afrikaans Federale Mynbou mining and industrial group. It is another step in the build-up, anticipated in this column, of Federale and its General Mining subsidiary into a vigorous giant in the South African mining scene.

As a result of the 1974-75 bid battle for Union Corporation, a holding of 29.1 per cent. was acquired in the latter by General Mining which had to borrow $85m. for the purpose. Since then Federale has acquired a further 12.2m. shares at an average price of 585 cents (378p) per share.

These shares are to be passed on to General Mining, thus increasing that group's stake in Union Corporation to a controlling 50.1 per cent. In return, General Mining is to issue 2.4m. of its own shares to Federale which will bring the latter's holding in General Mining to 63 per cent. Despite the possibility of "a modest" decrease in this year's earnings, General Mining expects to maintain the dividend rate on the increased capital.

It is also stated that on the basis of end-1975 values, the deal will raise General Mining's net assets to the equivalent of R42.38 (currently £27.34) per share. General Mining's liquidity has been improved by sales of investments among which the holding in Rio Tinto-Zinc's Rossing Uranium has been reduced to 2.1 per cent.

At the same time General Mining is not over-burdened with cash nor, for that matter, is Federale. But the deal has shown that the Afrikaner camp is capable of mobilising funds; its powerful backers include the South African Rembrandt tobacco group. Union Corporation thus becomes part of a strong set-up which will be looking for new business opportunities.

At current cum-premium share prices, Federale has a market capitalisation of only £82m. General Mining's figure (on the increased capital) amounts to £143.5m. and that of Union Corporation comes out at £180m. For comparative purposes, the giant Anglo American Corporation is capitalised at £390m. Meanwhile, General Mining has said, not surprisingly, that it has no present intention of significantly increasing its holding in Union Corporation.

Apart from the gold interests, Union Corporation's attractions to the Afrikaners include the South African industrial interests, technical mining expertise, exploration prospects and possibly most of all, Impala Platinum. Now in a recovery phase, Impala has declared this week a third quarterly interim of 18 cents (11.6p) which makes 48 cents so far compared with a total of 45 cents for the full year to last June.

Navan go-ahead

Moving from South Africa to Ireland we come to Tara Exploration's rich zinc-lead deposit at Navan in County Meath. One of the most exciting base-metal finds in recent years and, indeed, destined to become the sixth largest zinc-lead producer in the world, Navan has taken an unconscionable time to be born.

Originally expected to be in operation by late-1975, the $150m. (£85m.) proposition has suffered a series of setbacks, notable among which has been the Irish Government's procrastination in granting the vital mining lease. Now, at last, the hurdles have been overcome and this week Tara has announced that it has raised from a consortium of Irish and North American banks and the Export development Corporation of Canada, the $130m. needed to take the property to production.

The delays have, of course, added to the cost of the project. But it is now due to start up in March-April next year when metal prices could be stronger and thus help to compensate for the long wait. Navan will have an annual output capacity of 500,000 tonnes of concentrates which will be shipped to smelters in Europe, but the contracts allow for the diversion of zinc concentrates to the still-awaited Irish refinery.

The Irish Government has a 25 per cent. stake in the operating company, Tara Mines, and the rest is held by Tara Exploration. A much-needed comforting thought for shareholders in Charter Consolidated is that their company has 10.75 per cent. of Tara Exploration. Other major shareholders are Cominco (17.43 per cent.), Noranda (19.93 per cent.) and Northgate (9.9 per cent.).

Put briefly

● The U.S. Amax mining giant hopes for a 10 per cent. rise in earnings this year and is confident of increasing its dividend. A stake of 8.57 per cent. in Amax is held by London's Selection Trust which this week has announced a better-than-expected acceptance of over 95 per cent. for its recent £20m. rights issue.

● Gold and gold shares have been having cool and warm flushes this week, most of the buying in a thin share market having come from the U.S. Anxiously awaited is the outcome of the first of the International Monetary Fund gold auctions which is to be held on Wednesday.

● Zambia's copper-producing Roan Consolidated Mines has reported a net loss of K6.67m. (£5.4m.) for the March quarter which makes a loss of K.695m. for the past nine months. But RCM should return to profitability in the current quarter as a result of higher copper prices and improved transport arrangements.

● Beralt Tin and Wolfram is to receive the equivalent of about 2.5p per share from a dividend declared by the Portuguese operating subsidiary. Portuguese consent for the remittance of the money is awaited and, in the meantime, Beralt's cash position is strong thanks to buoyant Wolfram prices.

TV/Radio

BBC 1

† Indicates programmes in black and white

9.00 a.m. Ragtime. 9.15 Yogi's Gang. 9.35 Sam and the River. 10.00 Picture Making. 10.25 On the Move. 10.35 Bugs Bunny. 10.55 Cricket and Golf: Yorkshire v. Lancashire, Penfold PGA Championship.
1.15 p.m. Grandstand: Amateur Boxing (1.20) Scotland v. Hungary; Racing from Haydock Park (1.35 2.05, 2.35); Cricket (1.50, 2.20, 3.10) Yorkshire v. Lancashire; Olympic Swimming Trials (2.50, 3.10); *Golf (3.10) Penfold PGA* Championship; 4.35 Final Score.
5.05 The Shari Lewis Show
5.15 News
5.25 Sport/Regional News
5.30 The Harlem Globetrotters return to Britain to play a special match against the California Chiefs
6.00 Jim'll Fix It
6.40 Dad's Army
†7.20 "Rio Grande" starring John Wayne and Maureen O'Hara
9.00 The Black and White Minstrel Show
9.45 Cannon
10.35 News
10.45 Saturday Night at the Mill
11.30 "Honky Tonk" (film for television)

All Regions as BBC-1 except at the following times:—

Wales—10.35-10.50 a.m. Andy Pandy. 12.40 a.m. News and Weather for Wales.

Scotland—1.50-2.05 p.m. Boxing: Scotland v. Hungary. 10.45-11.00 The Scottish National Party Conference (report). 11.00-11.30 The Golden Fiddlers Festival. 12.40 a.m. News Summary and Weather for Scotland.

Northern Ireland—2.50-3.20 p.m. Rugby Union: Auckland v. Ireland (highlights). 5.25-5.30 Northern Ireland News, Sport. 12.40 a.m. News Headlines and Weather for Northern Ireland.

BBC 2

7.40 a.m.-2.45 p.m. Open University
†2.45 Saturday Cinema: "Manpower" starring Edward G. Robinson, Marlene Dietrich and George Raft
4.25 Cricket and Golf: Yorkshire v. Lancashire and Penfold PGA Championship
5.55 Open Door
7.25 Westminster: At the SNP Conference
7.55 News and Sport
8.10 A Legacy
9.00 2nd House
10.15 Centre Play
10.45 Open Door looks back
11.25 News on 2
†11.30 Midnight Movie: "Objective, Burma!" starring Errol Flynn

LONDON

9.00 a.m. Old House—New Home with Mike Smith. 9.25 Play Squash—Jonah's Way. 9.50 The Addams Family. 10.20 Fantastic Voyage. 10.45 Junior Police Five. 11.05 Run, Joe, Run. 11.35 Tandarra.
12.30 p.m. World of Sport: 12.35 International Sports Special (Part 1) Athletics—Superspike Classic from Gateshead; 1.10 News from ITN and Australian Pools Check; 1.20 The ITV Seven—1.30, 2.00, 2.30 and 3.00 from Doncaster; 1.45, 2.15 and 2.45 from Ayr; 3.10 International Sports Special (Part 2) Boxing—Muhammad Ali v. Richard Dunn; 3.35 Football: England v. Italy from the Yankee Stadium, New York; 4.55 Results Service.
5.05 News from ITN
5.15 The Woody Woodpecker Show
5.45 Island of Adventure
6.45 Winner Takes All
7.15 New Faces
8.15 Columbo
9.30 The Best of Upstairs, Downstairs
10.30 News from ITN
10.45 When Things Were Rotten
†11.15 "The Man who had Power over Women" starring Rod Taylor
12.45 a.m. Suffer Little Children

All ITV Regions as London except at the following times:

ANGLIA

9.50 a.m. Wake up to Yoga. 10.15 Hammy Hamster's Adventures on the Riverbank. 10.30 Manfred. 10.45 Big Blue Marble. 11.10 Clapperboard. 11.35 Planet of the Apes. 5.15 p.m. Daniel Boone. 6.15 New Faces. 7.15 Winner Takes All. 7.45 The Saturday Western: "Seven Guns For The McGregors." 10.45 Discovery. 11.15 The Wheeltappers and Shunters Social Club. 12.00 At The End Of The Day.

ATV MIDLANDS

9.15 a.m. Old House—New Home. 9.40 Play Squash Jonah's Way. 10.10 Tiswas. 5.15 p.m. Cartoon. 5.30 The Saturday Adventure Film: "The Crimson Pirate" starring Burt Lancaster. 7.15 Sale of the Century. 7.45 New Faces. 8.45 Play It Again. 9.45 Wheeltappers and Shunters Social Club. 10.45 Discovery. 11.15 Shaft.

BORDER

9.30 a.m. Old House—New Home. 10.00 Play Squash—Jonah's Way. 10.30 Big Blue Marble. 10.55 Halas and Batchelor Cartoon. 11.05 Tarzan. 12.00 Wait Till Your Father Gets Home. 5.15 p.m. Cartoon Time. 5.30 Space 1999. 6.30 New Faces. 7.30 Sale of the Century. 8.00 Saturday Film: "Return of the Seven." 9.45 Wheeltappers and Shunters Social Club. 10.45 Discovery. 11.15 Sailor in concert.

CHANNEL

5.15 p.m. Fantastic Voyage. 5.40 Husband of the Year '76. 6.10 New Faces. 7.10 Sale of the Century. 7.40 The Saturday Film: "Sex and the Single Girl." 9.45 Wheeltappers and Shunters Social Club. 10.45 Discovery. 11.15 Mystery Movie: Shaft.

GRAMPIAN

10.00 a.m. Play Squash Jonah's Way 10.25 Junior Movie: "Tarzan's Great Adventure." 11.55 *Sinbad junior cartoons.* 12.05 p.m. Wait Till Your Father Gets Home. 5.35 "The Magician." 5.15 Cartoon Time. 5.30 Space 1999. 6.30 New Faces. 7.30 Sale of the Century. 8.00 The Saturday Western: "Three Guns for Texas." 9.45 Wheeltappers and Shunters Social Club. 10.45 Discovery. 11.15 "Horsing Around." 11.20 Soccer highlights: England v Italy. 12.15 Evening Prayers.

GRANADA

9.15 a.m. Old House—New Home. 9.40 Play Squash—Jonah's Way 10.05 The Woody Woodpecker Show. †10.30 The Three Stooges. 10.50 Saturday Matinee: Dean Martin in "My Friend Irma Goes West." 5.15 p.m. Tomfoolery. 5.35 Planet of the Apes. 6.30 New Faces. 7.30 Sale of the Century. 8.00 The Big Film: Kirk Douglas in "The Racers." 9.45 Wheeltappers and Shunters Social Club. 10.45 Discovery. 11.15 Russell Harty. 11.40 The Late Film: "Coast of Skeletons" starring Richard Todd.

HTV

9.10 a.m. Play Squash—Jonah's Way. 9.35 Old House—New Home. 10.05 Sesame Street. 11.05 Breaktime. 11.35 Planet of the Apes. 5.15 p.m. Island of Adventure. *6.10 New Faces. 7.10 Sale of the Century.* 7.40 The Saturday Film: "Crooks and Coronets" starring Telly Savalas and Dame Edith Evans. 9.45 Wheeltappers and Shunters Social Club. 10.45 Discovery. 11.15 Riptide.

HTV Cymru/Wales—As HTV West except: 7.10-7.40 p.m. Sion a Sian.

SCOTTISH

9.30 a.m. Old House—New Home. 10.00 Play Squash Jonah's Way 10.25 Tell Me Why—Rachel Hayhoe Flint. †10.50 Feature Film: "The Pure Hell of St. Trinians" starring Cecil Parker and Joyce Grenfell. 5.15 p.m. Aquaman. 5.30 The Persuaders. 6.30 New Faces. 7.30 Sale of the Century. 8.00 The Saturday Western: "Return of the Seven." starring Yul Brynner. 9.45 Wheeltappers and Shunters Social Club. 10.45 Discovery. 11.15 Late Call. 11.30 Soccer highlights: England v Italy.

SOUTHERN

9.15 a.m. Old House—New Home. 9.40 Play Squash—Jonah's Way 10.10 Regional Weather Forecast. 10.13 Porky Pig and Daffy Duck. 10.25 Tell Me Why. 10.55 Fantastic Voyage. 11.20 U.F.O. 12.15 p.m. Southsport. 5.15 The Persuaders! 6.15 Sale of the Century. 6.45 New Faces. 7.45 "Adventures Of The Queen (TV movie). 10.45 Discovery. 11.15 The Collaborators. 12.10 a.m. Southern News. 12.15 Epilogue—Music for Thinking.

TYNE TEES

9.30 a.m. Old House, New Home. 10.00 *Play Squash Jonah's Way.* 10.25 Fantastic Voyage. 10.55 Opportunity. 11.00 "Viva Las Vegas" starring Elvis Presley. 5.15 p.m. Cartoon Time. 5.30 The Persuaders. 6.30 *New Faces.* 7.30 Sale of the Century. 8.00 The Saturday Western: "Day of the Evil Gun" starring Glenn Ford. 9.45 Wheeltappers and Shunters Social Club. 10.45 *Dan August.* 11.45 Phyllis. 12.15 a.m. Epilogue.

ULSTER

10.30 a.m. The Big Booming Bicycle Show. 11.00 Hammy Hamster's Adventures on the Riverbank. 11.30 Sesame Street. 5.15 p.m. The Magician. 6.05 Cartoon Time. 6.30 New Faces. 7.30 Sale of the Century. 8.00 Saturday Movie: "The Most Dangerous Man in the World" starring Gregory Peck. 9.40 Ulster Sports Results. 9.45 Wheeltappers and Shunters Social Club. 10.45 Discovery. 11.15 Police Woman.

WESTWARD

9.30 a.m. Old House, New Home. 10.00 Play Squash Jonah's Way. 10.25 Big Blue Marble. 10.50 Look and See. 10.55 Rocket Robin Hood. 11.15 The Gus Honeybun Show. 11.35 Sailor. 5.15 p.m. Fantastic Voyage. 5.40 Husband of the Year '76. 6.10 New Faces. 7.10 Sale of the Century. 7.40 The Saturday Film: "Sex And the Single Girl" starring Tony Curtis and Natalie Wood. 9.45 Wheeltappers and Shunters Social Club. 10.45 Discovery. 11.15 Mystery Movie: Shaft. 12.30 a.m. Faith for Life.

YORKSHIRE

9.30 a.m. Old House—New Home. 10.00 Play Squash Jonah's Way. 10.25 Big Blue Marble. 10.50 "Frankie and Johnny", starring Elvis Presley. 5.15 p.m. Cartoon Time. 5.30 The Persuaders. 6.30 New Faces. 7.30 Sale of the Century. 8.00 The Saturday Western: "Return of the Seven." starring Yul Brynner. 9.45 Wheeltappers and Shunters Social Club. 10.45 Dan August. 11.40 Night Gallery.

RADIO 1 247m

(S) Stereophonic broadcast

6.00 a.m. As Radio 2. 8.06 Ed Stewart (S) (also on VHF) with Junior Choice. 8.32 Soccer Report: England tour of USA. 10.00 Rosko. 1.00 p.m. The Elton John Story (S). 2.00 Alan Freeman (S) (also on VHF) 5.0 Paul Gambaccini (S) (also on VHF). 6.30 In Concert (S) (also on VHF). 7.30-12.33 a.m. As Radio 2.

RADIO 2 1,500m and VHF

6.00 a.m. News Summary 6.02 Soccer Report: England tour of USA. 6.04 Tom Edwards (S) including 8.03 Racing Bulletin. 8.06 As Radio 1. 10.02 Charlie Chester with your Smiling Saturday Show (S). 12.02 p.m. Two's Best (S). 1.02 *One Man and His Show (1500m only,* also 202m Scotland, VHF joins Radio 1). 1.30-5.55 Sport On 2 (1500m only, also 202m Scotland, VHF joins Radio 1). Cricket (1.30, 2.18, 2.25, 2.50, 3.40) West Indians v. Sussex and news of all the County Championship games: Racing From Haydock Park (2.10, 2.40, 3.40, 5.40): Countdown to Montreal (1.30, 2.0, 2.25, 2.50, 3.50): Football (1.30, 5.20) The American tour—England v Italy: Golf (1.30, 2.25, 3.50) Penfold PGA Championship. 5.03 Star Sound (1500m only, also 202m Scotland), VHF joins Radio 1). 7.02 Hello Cheeky (1500m only, also 202m Scotland, VHF joins Radio 1). 7.30 Sports Desk. 7.33 Radio 2 Top Tunes (S). 8.30 Saturday Night with the BBC Radio Orchestra (S). 10.02 Pop Over Europe (S) 10.45 Alan Dell with The Late Show (S) including 12.00 News. 12.33-12.33 a.m. News Summary.

RADIO 3 464m, Stereo & VHF

6.00 a.m. News. 6.05 The Young Idea (S). 9.00 News. 9.05 Record Review (S). 10.15 Stereo Release (S). 11.15 Song Recital (S). 12.02 p.m. Robin Ray presents popular classics (S). 12.55 News. 1.00 A Piece of the World Discovered. *1.15 Schubert and Mozart piano recital* (S). 2.15 Man of Action: Sir John Pilcher chooses records (S). 3.35 Music of the Masters (S). 5.00 Jazz Record Requests (S). 5.45 Bruckner concert (S). 7.18 Critics' Forum. 8.00 Bath Festival 1976, part 1: Haydn, Beethoven (S). 8.30 Britain Into Conflict. 9.10 Bath Festival 1976, part 2: Haydn (S). 9.35 Souvenirs de Dresden: Lord Berners gives his impressions of life in 1900. 10.00 "The Death of Antigone," chamber opera, music by Reginald Smith Brindle (S). 10.40 Amanda McKittrick Ros (discussion). 11.00 Organ Gallery (S). 11.25-11.30 News.

Radio 3 VHF only—6.10-8.00 a.m. Open University.

RADIO 4

434m, 330m, 285m and VHF

‡ Medium Wave only

6.30 a.m. News. 6.32 Farming Today. 6.50 Outlook. VHF Regional News. 6.55 Today's Listening. 7.00 News. 7.30 On Your Farm. 7.40 Today's Papers. 7.45 Outlook. 7.50 Today. 8.00 News and more of Today with 8.25 VHF Regional News. 8.50 Yesterday in Parliament. 9.00 News. 9.05 From Our Own Correspondent. 9.30 The Week in Westminster. 10.00 News. 10.02 Between the Lines. 10.15 Daily Service. 10.30 Pick of the Week. 11.30 Science Now. 12.00 News. 12.02 p.m. Robin Ray (S) as Radio 3. ‡12.55 Weather and programme news. VHF (except London and S.E.) Regional *News. 1.00 News 1.15 Any Questions?* 2.00 Weekend 2.00 News. 2.05 Thirty-Minute Theatre. 2.35 Music of the Masters (As Radio 3). 5.00 PM Reports. ‡5.55 Weather and programme news VHF (except London and S.E.) Regional News. 6.00 News. 6.15 Stop the Week with Robert Robinson. 7.00 News. 7.02 Desert Island Discs. 7.30 These You Have Loved (S). 8.30 Saturday-Night Theatre (S). 9.58 Weather. 10.00 News. 10.15 A Word in Edgeways. 11.00 Lighten Our Darkness. 11.15 News

Open University: VHF only—6.05 a.m.-12.00 and 2.00-5.00 p.m.

BBC Radio London

206m and 94.9 VHF

6.00 a.m. As Radio 2. 7.32 Good Fishing. 8.00 News: Weather, traffic and to-day's sports news. 8.15 The London Gardener. 8.30 Astley Jones with Saturday Scene. 11.30 Robbie Vincent's Saturday Show. 1.00 p.m. Close Up. 2.30 Bob Powell with London Country. 5.00 As Radio 2. 6.00 Newsbreak. 6.10-12.33 a.m. As Radio 2.

London Broadcasting

261m and 97.3 VHF

6.00 a.m. Morning Music. 7.00 Holiday 261. 7.30 The Decision Makers. 8.00 "AM." 10.00 Jellybone. 12.00 London's Week. 1.00 p.m. Newswatch. 1.30 Sports watch. 6.00 Newswatch. 6.30 This is London. 7.00 Artsweek. 9.00 David Barsett—with your Nightline calls. 1.00-5.30 a.m. Nightwatch—news every half hour through the night.

Capital Radio

194m and 95.8 VHF

6.00 a.m. Kerry Juby: Kerryground. 9.00 Roger Scott: Capital Countdown. 12.00 Kenny Everett: Two-hour musical maelstrom 2.00 p.m. Joan Shenton: Person to Person. 4.00 Ian Davidson: London Link. 6.00 Greg Edwards: Soul Spectrum. 10.00 Tommy Vance: the best of reggae. 12.00 Tommy Vance: Midnight Special. 2.00 a.m. Night Flight.

TV Top 20

Week ended May 23

		Homes viewing (m.)
1 Crossroads (Thr.)	ATV	7.40
2 Crossroads (Wd.)	ATV	7.15
3 Coronation Street (Mon.)	Gran.	7.05
4 Coronation Street (Wed.)	Gran.	6.95
5 Tommy Cooper ..	Thms.	6.90
6 Crossroads (Fri.)	ATV	6.85
7 Husband of the Year	York.	6.75
8 Crossroads (Tu.)	ATV	6.70
9 Dangerous Knowledge	Sthn.	6.50
That's Life	BBC	6.60
11 Sale of the Century	Ang.	6.40
12 My Brother's Keeper	Gran.	6.30
Don't Ask Me .... Whicker's World	York.	6.30
Porridge	BBC	6.30
16 UEFA Cup Final	BBC	6.15
17 Billy Dainty, Esq.	Thms.	6.05
18 The Fosters	LWd.	5.95
19 Spring and Autumn	Thms.	5.85
20 New Faces	ATV	5.80
Death in Deep Water	ATV.	5.80

Figures compiled by Audits of Great Britain for Joint Industry Committee for Television Advertising Research.

CHESS SOLUTIONS

Solution to Position No. 116 — No — White calculated 1 Q-K3, N-N4; 2 QxN, NxN ch; 3 BxN, QxB when Black threatens mate in one but White gets in first by 4 QxP mate. However, Larsen played (1 Q-K3) N-Q7! and White had to resign (2 QxN, NxN ch or 2 R-N2, NxR).

Solution to Problem No. 116 — 1 P-R4, If 1 P-Q5; 2 Q-B3 mate. If 1 P-R4; 2 Q-B8, K-Q5; 3 Q-QN4 mate. If 1 P-R3; 3 P-R5, P-Q5; 3 Q-B8 mate.

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Your savings and investments

Aiming to catch up

BY CHRISTOPHER HILL

PERHAPS THE Trustee Savings Bank may not emerge as the "third force" in banking quite as the Page Report visualised three years ago, for at the moment it is still aiming to catch up with the clearing banks in the current account field and later this year in personal loans. But Mr. Tom Bryans, the chief general manager of the Trustee Savings Bank Central Board, said this week that the TSB had now reached the point where its central structure is complete and is now eager to get into the lending field. The structure side consists of the Central bank, CTSB Ltd., the unit trust/life assurance division (soon to be renamed the TSB Trust Company) and the 18 TSB regional groups.

But, with 11m. customers, 1,650 branch offices and invested funds of over £4bn., the ground work so far has concentrated on getting the most mileage out of its existing resources. I must confess that I find services to the saver or investor more interesting than the drive to duplicate what the clearing banks have to offer. In the former area, the TSB has already achieved considerable success. The three TSB unit trusts are now up to £50m. collectively and linked life assurance policies are being issued at the rate of 800 a week. In this respect the TSB came up with the original idea of getting its 100 or so sales representatives to work closely in combination with the bank managers in the regions. According to Mr. Bryans, the TSB is also interested in getting out a greater variety of savings plans linked to flat rates of interest over various periods—which is an area the clearing banks have been slow to promote, preferring to rely on current and ordinary deposit accounts.

Comparisons are difficult to make between Britain and Europe in the savings field in this respect, but it may be significant in TSB terms that the German banks have become increasingly interested in the saver as well as the depositor over the years. The Deutsche Bank, for example now estimates the proportion of savings on total deposits at 45 per cent. compared with only 28 per cent. 15 years ago—and has a lengthy list of sophisticated contractual savings products. One which the TSB might take a look at is the Erfolgssystem 100 (Successplan) where the saver contracts for various periods to put so much away per month and, according to how much he saves, variable proportions are put on deposit, into bond funds or into mutual funds. After all, not everyone wants life assurance.

Tom Bryans, TSB

But one of the problems in the British savings market is that there are too many savings institutions and Mr. Bryans had some wry words to say about all the engulfing maw of the building societies where straight savings are concerned. What the TSB wants to become is a "social" bank rather than a clearing bank, concentrating exclusively on the individual and providing a more personal service than the clearing banks would normally provide.

However, the one big block against this is the relative weakness of the TSB branch network "south of the Chilterns" where only 300 branches exist. Constrained by relative under-capitalisation, it is difficult to see what the TSB can do about this situation with any speed (it first needs to build up its reserves), but apparently it is making progress in the South with getting rid of the "cloth-cap" image.

The latter is already less apparent further North, especially in Scotland where the TSB has a grip on a broad cross-section of the population. Part of the progress is in keeping pace with new technology, with the TSB well in the vanguard of the trend towards "self-service" banking. But it is also significant that the TSB has a ready potential for upgrading its existing depositors in that 8m. of the present total just have ordinary accounts—and could be weened onto special investment accounts or other savings products.

Interest Rates

BY ERIC SHORT

INTEREST RATES have moved strongly upwards again having fluctuated erratically for some time. The average investor trying to follow the gyrations of interest rates this year must by now be completely baffled. The two dominant factors affecting short-term rates have been the persistent weakness in sterling and the upward pressure of U.S. interest rates.

What does this mean for the individual? The Government's reaction has been to increase Minimum Lending Rate and the banks have raised their base rates for both lending and the returns offered on deposit accounts. Building Society rates are governed by a different set of factors resulting from their endeavouring to take a much longer term view. But while the gap has closed in the returns on deposit accounts and building society shares for the nil taxpayer, it is still advantageous for the standard rate payer to put his cash in a building society.

The market is fearful of a further strengthening of short term interest rates in the near future, so investors should consider remaining liquid at least in the short term. The other feature of the present interest rate pattern is that long-term gilts have not reacted as strongly to the upward pressure as have shorter dated stocks so the yield curve has flattened quite markedly. The expectations of a further lowering of the rate of inflation are still influencing this end of the market.

Again this is a further reason for investors to keep a strong liquid holding in their portfolio and an even stronger reason is to be found in the downward movement of the equity market.

The table shows the current yields available on some fixed-interest investments. Investors should select their vehicle for their cash holdings with the same care as selecting long-term holdings.

Investment	Tax Rate Nil %	35% %	50% %
National Savings Certs.			
cashed-in after 1 year	6.0	6.0	6.0
cashed-in after 4 years	7.6	7.6	7.6
Jubilee Bonds cashed-in after 5 years	9.1	6.2	5.0
Building Society deposits	6.25	6.25	4.7
shares	6.5	6.5	5.0
Clearing banks deposits	6.5—7.0	4.2—4.5	3.25—3.5
1-year term	12.0	7.8	6.0
Local Authority loans 2-3 years	12.7	8.2	6.3
Treasury 11¾% 1979	11.6	7.5	5.8
Treasury 2½%	14.4	9.4	7.2

Indexing problem

I SUPPOSE that more has been written on the index-linked National Savings contracts than on all other National Savings products put together. Yet because an entirely new concept in savings was introduced, some investors still do not fully understand how index-linking operates.

Now, we are approaching the period when the holders of the retirement bonds can receive the benefit of index-linking on cash-in and last week I discussed the reason why bondholders should stick with their contracts. This article produced a letter from a reader who still does not fully understand the index-linking operation.

The first misconception of the reader is that the bonds acquire yearly accrued interest. The bonds receive no interest at all in the accepted sense of the word. The investor's capital outlay is revalued monthly in line with the Retail Price Index and since last June this capital has increased in monetary value by 18.9 per cent.

The second misconception is that this increase remains idle. It will itself appreciate in line with the future movement of the RPI. Although this can be demonstrated mathematically, it is possibly more easily understood by means of an example. Let us assume that over the next 12 months inflation will be exactly 10 per cent. This will mean that the RPI, which stood at 153.5 in May will have risen to 168.9 by May 1977. Then the value in June 1977 of the retirement bond on an original investment of £100 would be $100 \times \frac{169.9}{129.1} = £130.6$ (129.1 was the value of the RPI at the start).

This is exactly 10 per cent. higher than the June 1976 value of £118.9, the capital increase as well as the original outlay having increased by 10 per cent. over the next 12 months. E.S.

Too good to last

A CHORD from the past this week was the news from M and G that the ten-year M and G Family Bonds have reached maturity since they were launched in 1966, showing a rise from 67½p to 150p over the period completely tax-free. This beat all the indices (bar the Cost of Living Index), and the bonds were a godsend to the higher-rate taxpayer. Over £10m. was subscribed in over 3½ months in 1966 by 40,000 new clients before the scheme was stopped by the Government. It probably still ranks as the most dramatic success story in the recent history of the savings industry—unfortunately too good to last. C.H.

Motor components

BY ROY LEVINE

SPARKLING RESULTS for the half year from Associated Engineering on Thursday has focused attention again on the motor components sector. AE's interim profits were up from £6.5m. to £9.1m. before tax so that analysts have had to upgrade expectations for the full year to around £19m. (£13.7m.).

Most shares in the sector have had a good rise this year so that the continuing industrial recovery prospects have been largely discounted. But there are still some special situations that warrant attention. The two fastest growing sectors in the components industry are sale of replacement parts both in the U.K. and on the continent (where the motor industry has recovered rather faster) and the fast growing diesel sector—diesel engines are much cheaper to run than conventional engines and demand since the oil crisis has soared world-wide.

Sales of new vehicles in the U.K. are up by 27 per cent. in the first four months of this year although production of both cars and commercial vehicles is below the levels of the comparable period of 1975. As the U.K. comes out of the recession, however, demand for components should rise. Meanwhile, many of the component manufacturers have been establishing markets on the Continent. Exports of components rose by over a third in the first quarter to £350m. (there are no figures for U.K. sales).

AE, on a prospective p/e of 7.3 at 84½p yielding 7.4 per cent., should continue to benefit from these two growth sectors.

Another prospect is Armstrong Equipment whose prospective p/e of 7.2 (on profits of perhaps £4.3m. for this year), is over a point below the industrial group. Profits have risen at a compound rate of a quarter since 1969-70 and the company has emerged unscathed from the recession largely because of its diversification away from the original equipment market into the more lucrative replacement market. The number of U.K. wholesale branches will be around 150 at its June 30 year-end (built up over two years) and next year their combined sales are budgeted to rise to £35m. (£15m.).

A major profit contribution is also expected next year from its company in Spain which is one of two manufacturers of shock absorbers — Armstrong's major strength — for the new Fiesta model from Ford, which is scheduled for production in three European countries. Three months ago Armstrong increased its stake in the Spannish company from 43 to 96 per cent. after completing a £1m. expansion programme. The one drawback in the shares at 68p is the low yield of 3.8 per cent.

There is a special situation at GKN, too, whose shares have fallen back from 360p to 310p in a weak market following the adverse decision last week by the German Federal Cartel Office on its bid for Sachs AG, Germany's major manufacturer and distributor of clutches. If the bid is ultimately successful (as most people expect) GKN will be paying around £72m. for estimated trading profits next year of perhaps £20m.* The prospective p/e is 8.8 and the maximum yield 6.3 per cent.

There could also be some rerating of Lucas Industries whose prospective p/e of 6.3 at 200p on forecast profits of £46m. is well below the average in the industrial sector and does not fully discount overall recovery prospects for 1977 and the diesel growth market in particular. Over 80 per cent. of sales are in the automotive sector of which a quarter is in diesels.

Lucas has not been able to cope with the explosion in diesel demand over the past 18 months and the bulk of its recent £42m. rights issue will be used to double diesel component capacity.

Not surprisingly, some U.S. companies, including Eaton, Rockwell and ITT, have built up strong subsidiaries in Europe over the past few years and in some cases their profits on this side of the Atlantic have grown faster than in the U.S. Newcomers include Dana Corporation, the biggest manufacturer of proprietary motor parts.

Its two U.K. investments are a 64 per cent. stake in the wholesale motor parts distributors, Brown Brothers, and a 35 per cent. share of Turner Manufacturing, which makes transmissions and clutches. Brown Brothers has a patchy profits record but with new management and help from Dana expects to double profits over the next four years. Its chain of 67 outlets is to be expanded.

Profits may only emerge out of the plateau in 1977 so the shares, ranked just below the whole industrial group on a p/e of 8.8 and yield of 6.6 per cent. may not produce much short term gain at 14p.

Turner's fortunes are more closely linked with the commercial vehicle sector where the overall production figures are still depressed. After a big jump in 1975 profits, there could be some consolidation this year. Beyond that, the company hopes to more than double sales and profits by 1980 and has tendered for major contracts from British Leyland and some Continental vehicle manufacturers.

If Turner does get the BL contract to supply transmissions, the shares could improve strongly from 63p. But if there is no news in the next six months, investors may have to wait longer to see capital gains. The yield, meanwhile, is 7.9 per cent.

* Figure from Grieveson Grant.

Second thoughts on tax

PRESSURE FROM the life assurance industry has resulted in the Government having second thoughts regarding tax relief limits for life assurance premiums. It has put forward an amendment this week that restores the limit of one-sixth of income which it had previously proposed to drop, so now the limit is to be the higher of £1,500 or one-sixth of income. This change means that in theory at least investors with incomes less than £9,000 will from 1979 be able to invest more than one-sixth of their income — their present limit — in life assurance and get tax relief. In practice I would be surprised if more than a handful of investors could afford to pay out anything like one-sixth of their gross income on life assurance. But I suppose the Government feels obliged to impose some limit. E.S.

Finance and the family

Exchange control

BY OUR LEGAL STAFF

Referring to your reply of April 10 under the heading, Earnings abroad and the premium, in which you stated that securities must be lodged with an authorised depositary in the U.K., but that the two-year period dated from the actual return to the U.K., does this *mean that such securities could* not be sold and others bought in an overseas market meantime? Would the address on the share certificate have any bearing on whether the shares were premium worthy or not? Would other overseas assets, such as a house, be subject to the same rules and would the deeds have to be lodged with an authorised depositary? How could one obtain the *premium*?

The exchange control rules have recently been changed. The basic effect of these is to stop the concession to returning expatriates to which we have referred in previous replies, even if the period abroad was more than three years. The premium is now available in these circumstances only if the individual returned to the U.K. before April 22, 1974—in which case, of course, his two years would already be up.

Under the old rules, to answer your questions, it was not possible to switch during the two-year period; the premium would arise only if the same *securities were held*. The address on the certificates should make no difference.

The same rules do not apply to property. The deeds do not have to be lodged with an authorised depositary, but a sale would require specific Bank of England permission. We do not think you would get the premium on such a sale—in general, it is available only if it was paid on the purchase.

Ninety-day limit

I was born in S. Africa, but practised medicine for many years in England. In June 1970 I was granted S. African domicile by the Inland Revenue *and on November 15, 1974 I* went through the emigration procedure to S. Africa. Could I return to England for 90 days in any one year, without being deemed resident or would I have to wait for three years from November 15, 1974?

From what you say, we take it *that for U.K. tax purposes you* were regarded as resident and ordinarily in the U.K. (but not domiciled here) for a number of years up to November 15, 1974, *and that it has been agreed that* you should be regarded as neither resident nor ordinarily resident here for the period since that date. If so, and in *particular if you did not visit* the U.K. during 1975-76, you can probably calculate your 90-day limit from 1975-76 without regard to 1974-75 and earlier years.

The safest course—since there may be aspects of your case which are not clear from your letter—is to ask the Inland Revenue. It is not their wish that visitors from overseas should be caught unawares and they will be prepared to give you general guidelines based on their records of your particular circumstances. General policy *and practice are outlined in a* booklet "Residents and non-residents: liability to U.K. tax" (IR20), which you can obtain from any tax office with which you may be in touch, without charge.

The double taxation agreement between the Republic and the U.K. may be of benefit to you. Apart from this, the consequences of being caught by the 90-day rule depend on the nature and composition of your *income, your history of remittances* to the U.K., etc.

Emptying of cesspits

What please is the legal position with regard to the emptying of *cesspits by local authorities* following the recent decision (Daymond v. Plymouth County Council) regarding the non-liability for water rates of those *who are not connected to* sewers? Should the charge be in accordance with the Water Authorities (Collection of Charges) Order 1975? Is this *applicable in 1976?*

Daymond v. Plymouth C.C. is reported in [1976] 1 All E R 39 in the House of Lords, where Phillips, J. was affirmed. The *power to charge for the emptying* of cesspits is now to be regulated by a recent statute, not by the Order to which you refer (which does operate in 1976 and subsequently). *That* Order was held to be *ultra vires* so far as it purported to apply to sewage charges for people whose premises are not connected to public sewers. The charges which are being sought from you should comply with the provisions of the Water Charges Act 1976.

A claim in detinue

Having had a large bill from my accountants, I paid, but asked what the likely charge would be for the following year and was told, in writing, about £50. I have now had a bill for £250, *though the work was somewhat* less. I have not paid the account. I demanded my files back, and have been refused. What please do you advise?

You should make an open offer in writing to pay to the accountants say £60 plus VAT (that is, a figure on the high side of the *£50 quoted by them as an* approximate figure). You can then issue proceedings in your local County Court claiming the return of the files (that is, in detinue). In this instance you should not make the alternative claim for the value of the chattel which is normally found in a claim in detinue, as there is no substitute for the files themselves.

Australians and premium

Referring to the recent change in the regulations in relation *to the investment currency* premium, what is the position of a small number of Australian shares purchased by a bank and held by that bank, *before the 1972 regulations* included the sterling area? Would these be sold legally with the benefit of the premium?

The result of the change of status of Australian stocks in June 1972 was that U.K. holders quite legitimately got the benefit of the premium without having paid it in the first place. A U.K. resident holder now is entitled to sell such stocks at the London price, cum premium, though subject, of course, to the 25 per cent. surrender rule.

Airline pilot and tax

In your reply of April 10 under the heading Airline Pilot and Tax, you state that the pilot should avoid being in England during any periods when his furnished house was empty. Does this matter, provided the pilot is regarded as being in full time employment abroad? What is the position of a person who retires from full-time employment but continues to live abroad and also returns to the U.K. on occasional visits for *the re-letting of his property?*

It is dangerous to paraphrase tax laws, particularly those which are the subject of misconceptions, and so we are setting out the full text of Section 50 of the Income and Corporation Taxes Act 1970 below:

(1) Where a person works full-time in one or more of the following, that is to say, a trade, profession, vocation, office or employment, and the condition mentioned in subsection (2) below is satisfied, the question whether he is resident in the U.K. shall be decided without regard to any place of abode maintained in the U.K. for his use.

(2) *The said condition is that* no part of the trade, profession or vocation is carried on in the U.K. and all the duties of the office or employment are performed outside the U.K.

(3) Where an office or employment is in substance one of which the duties fall in the year of assessment to be performed outside the U.K. there shall be treated for the purposes *of this section as so performed* any duties performed in the U.K. the performance of which is merely incidental to the performance of the other duties outside the U.K.

The point in the second paragraph of the reply published on April 10 is that the High Court *has held that the duties performed* in the U.K. by an international airline pilot (on scheduled flights to the U.K., for example) are not "merely incidental"; consequently the conditions set out in subsections 2 and 3 of section 50 are not satisfied, and the existence of a house etc. in the U.K. cannot be disregarded. You may have noticed a report in the Financial Times on March 31 of the application of the decision in *Robson v. Dixon to British Airways* pilots and crew based in Jersey.

As you may have gathered from the reply published in the Finance and the Family column on April 17 under the heading "Non resident's house," the protection of section 50 is lost on retirement. Someone in the situation you outline may well find himself regarded as resident in the U.K. (for tax purposes) no matter how brief his stay. A double taxation agreement may modify the general U.K. tax rules, of course.

No legal responsibility can be accepted by the Financial Times for the answers given in these columns. All inquiries will be answered by post as soon as possible.

Insurance

Floods: A chain reaction

BY JOHN PHILIP

THOUGH the word "flood" has been used in both household and commercial special perils policies for very many years it comes as something of a surprise that until a week ago there had been no judicial decision on the meaning of the word. Just as one swallow does not make a summer, the decision of the Court of Appeal in *Young v. Sun Alliance and London* and the judgments of three Lords Justices take us some way forward, but leave much scope for argument.

First the facts—Mr. Young had a home insurance policy which covered loss destruction or damage to his house *inter alia* caused by storm tempest or flood or escape of water from drainage installations. His house had been constructed in 1955, and in two years, 1972 and 1973 had sustained damage by water in a lavatory beneath the level of the ground floor. This damage was traced to a defect in the water system and insurers paid his claim of around £500.

Then at the end of 1974 this lavatory was again damaged by water, this time to a depth of three inches: inspection showed that the cause was the natural diversion of an underground watercourse. Mr. Young asked insurers to pay £700 for repairing the damage on the grounds that this was due to "flood."

Insurers disagreed, and so did Judge Stockdale at Barnet County Court. He said that although the water came from a natural source, the damage was not caused by a flood, which word must mean a large and temporary movement of water. Mr. Young appealed and on May 14 the Court of Appeal decided that whatever a flood might be, the water in Mr. Young's lavatory could not be called a flood.

Lord Justice Shaw said that the words storm and tempest connoted violence, and that the *whole phrase storm tempest* and flood was intended to cover unusual phenomena. Flood was not something that resulted from seepage but from a large movement of water: the word "flood" was used in the sense of having an element of violence and suddenness. These descriptive words were picked up by Lord Justice Lawton who said the essence of a flood was some abnormal violent situation: while it was difficult to define flood it was not difficult to say that the amount of water in Mr. Young's lavatory did not constitute a flood.

The third judge, Lord Justice Cairns, is reported to have taken a different approach: in his view the way to interpret the word flood was to ask oneself what meaning the ordinary *intelligent man would have to it.* A flood must involve a large quantity of water. It must be a question of degree. But three inches of water in a room measuring 6 feet by 4 feet could not be regarded as a flood.

Presumably both insurers and Lord Justice Cairns would have taken a different view of that 3 inches of water if it had entered all the downstair rooms *of the house from a river which* had broken its banks and was flowing in spate through the street where Mr. Young's house was situate; for in that case there would clearly have been the abnormal violent situation described by the other judges, and by its very nature unarguably a flood outside the house. So lack of depth of water cannot by itself be a yardstick.

From the particular to the general. After the extensive east coast floods in 1962 insurers gave the Government an undertaking to provide flood cover on household goods and possessions without restriction, and without any financial excess. But no similar undertaking was given in respect of either "buildings" policies on houses or flats or commercial insurances on premises or stock: so other than in the home "contents" field, insurers are free to refuse or to provide flood cover as they *think fit*, and to charge premium appropriate to the risk.

Hitherto insurers have not sought expressly to define the word "flood" in any domestic policy, but there is general agreement among insurers as to what they mean by "flood" when that word is used in commercial policies or endorsements.

And had you asked any insurer, prior to the Court of Appeal's decision, what the word meant, you would probably have been told that it was, by the definition used in some commercial covers:—

"*Destruction or damage by (1) the escape of water from the natural confines of any natural or artificial water course (other than from water tanks, apparatus or pipes) or lake reservoir canal or drain and (2) inundation from the sea.*"

Note the words "escape" and "inundation." Suppose there has been very heavy rainfall and buildings are damaged by the accumulated rainwater as it tries to find its way to drains or river: this damage is not by such definition flood damage, though it will almost certainly be accepted by insurers as storm damage. So even if a particular commercial policy or home buildings policy does not cover flood, the policyholder may well have some degree of protection against what a layman might call flood.

There are of course a number of places by virtue of their low lying geographical location very susceptible to flooding, and many other places where the risk is greater than average. So insurers take precise geographical location into account (as well as the susceptibility to damage of the property to be insured) when deciding whether *or not to provide cover* and what price to charge. Inevitably there is a degree of selection against insurers — for those policyholders living away from rivers or sea on high ground do not buy flood cover. Because there often can be insufficient spread of risk and concentration of demand in small areas premiums can vary considerably, there is no standard rate per cent.

Taxation

Eliminating the Finance Bill nasties

John Chown looks at the changes in Government thinking over recent weeks

THE COMMITTEE stage of the Finance Bill has not yet reached the interesting and controversial provisions, but there are already signs that the Government may be having second thoughts on some of the nasties. For instance, to obtain a search warrant under the "snoopers' charter" it will now be necessary for a member of the Board of Inland Revenue to obtain *the authorisation of a circuit* judge. Cold comfort, perhaps, but better than an Inspector of Taxes being able to track down any complacent Justice of the Peace.

It looks like the nasty little provision limiting life assurance relief, not only to one-sixth of the total income, but to £1,500 is to go (although the administrative machinery for giving the relief at insurance company level may be limited to that figure). There is some indication that there will be second thoughts on expenses, particularly on cars, and that the provisions on free loan and incentive shares will at least be modified so they do not bankrupt half the country's executives.

There are many points still needing attention. The Government has tabled amendments on stock relief but more are still needed. The long-term problem is treatment of claw-back, but this is a matter for discussion over the next two years, rather than for this particular Finance Bill. One weakness of the provisions included in the Finance Bill is that there are insufficient options as to when the stock relief can be taken. A company with substantial capital investment in a particular year might prefer to take its stock relief in the following year, and this it may not be able to do.

The alternative of not claiming 100 per cent. first year allowances is of little value as then the normal annual allowance provisions would apply. The decisions for companies with international activities can be particularly difficult as they *may lose the benefit of some* other double tax relief to which they might be entitled.

Some of the relieving provisions on CTT also need more careful examination. I mentioned the relief for "mutual transfers" to prevent tax being levied twice when A gives assets to B who then gives them back to A. This, as drafted, would not apply to transfers to and from trusts. There is a case for extending the principle to trusts. *The point is not just an* academic one. It can arise when a gift is made of private company shares and the share valuation is subsequently ajudicated at a higher figure than was expected. It may then be necessary to reverse part of the transaction and the law should be amended to make this possible without penalty.

Clause 82, dealing with transfers between hubsand and wife, is meant to clear up an anomaly, but does not. The original anomoly arose from the fact that CTT is levied with reference to the "loss" to the donor rather than the gain to the donee. In an extreme case someone with a 55 per cent. interest in a company who gives away 10 per cent. of the shares would suffer a loss in value of his estate, as calculated for CTT purposes, much greater than the gain to the donee.

This problem remains but as the original legislation was drafted, if a husband made a transfer to his wife in such a way that there was a deemed loss to the husband of £10,000, which only confers a benefit on the wife of £6,000, the other *£4,000 (which benefits no one* and disappears into thin air) would be deemed to be a chargeable transfer not within the exemption for transfers *between husband and wife on* the technicality that the wife does not benefit.

According to the Inland Revenue the new wording "makes it clear that there is complete exemption for a transfer between qualifying spouses." So it does, if there is a transfer as *assets*. However, transfers of value for CTT purposes can take many other forms such as failure to exercise a right.

The payment of a premium by a husband on a life policy vested in his wife would, for instance, still suffer anomalous treatment. Indeed, in attempting to close up one anomaly the change in wording opens up another. Under the Clause as drafted, if one party to a marriage was to forgive a debt due from the other (which could easily happen inadvertently *when a couple really treat their* assets as a common pool except for CTT purposes) there would be a transfer of value which would be subject to CTT even though it was a transfer between husband and wife. This was surely not intended.

I have been taken to task by two members of the Civil Service for having suggested that they escape the worst rigours of the inflation that was besetting the rest of us. This, I admit, was a litle unfair, but I plead a combination of partial justification for provocation.

The pay code does make exceptions for "incremental scales" and it happens that incremental scales are the rule in the civil service and the exception in private industry. This exception does not apply above £8,500 and presumably my correspondents were over this level. However, they still have one vital advantage over the rest of us, which is that their pension rights are indexed against inflation. Those wishing to provide for their own pensions are limited to setting aside 15 per cent. of their salaries for this purpose. This would, in normal conditions, have enabled retirement on something between half and two-thirds of final salary, but is woefully inadequate to finance an inflation-proof pension even if a life company was prepared *to quote on that basis. The* private individual by having his pay restricted also restricts his right to buy pension rights. The civil servant does not suffer this disadvantage.

The provocation stems from evidence given in March, 1975 (and at that time both unpublished and technically unpublishable), to the Select Committee on Wealth Tax. The discussion can now be found starting on page 149 of Volume II of the Minutes of Evidence. Revenue witnesses were arguing enthusiastically in favour of the general principle of wealth tax and were arguing with equal vehemence that pension rights should not be counted as wealth.

A number of spurious arguments were put forward including the fact that pension rights were unrealisable. (This argument, if accepted, would apply to many other assets, including in particular shares in private businesses, but there is no suggestion of exempting them).

One questioner put his finger on it: "I have been a little worried as your evidence has developed about the distortions inherent in the proposition in the Green Paper which you are *supporting, that certain kinds* of pension should be outside the scopeof wealth tax. I wanted just to exemplify this point to take one particular category of pension, *which I think makes* that point rather clearly so that we can get your reactions and hope that you will not think me indelicate if I take pensions in the public service. So as not to take on extreme case, may we take thepension paid to a deputy secretary.

Am I right in thinking that the average salary of a deputy secretary is about £14,000 per year?"

"Yes."

"Am I right in thinking that his pension after 40 years of service is one half of his final salary?

"That is correct."

The questioner then went on to establish that in addition to £31,000 lump sum, the deputy secretary would receive a pension, with a capital value of £107,000 assuming a 10 per cent. inflation rate or £126,000 at a 13 per cent. inflation rate—above the wealth tax starting point.

Leisure

Flights of fancy

ON WHIT Sunday the fields around Old Warden in Bedfordshire will echo to sounds more like those of angry wasps or garden motors than of Jumbos and other jets, as some of the world's oldest, rarest and most valuable aeroplanes take to the air *once more*.

For Old Warden is the home airfield of the Shuttleworth Trust, one of the biggest collections in the world of vintage aircraft. Dedicated to finding and preserving aeroplanes of all kinds (as well as cars, cycles, carriages and fire-engines) the Trust was set up in 1944 by Mrs. Dorothy Shuttleworth to commemorate her son Richard, killed in the RAF during World War II. It now has a priceless collection of more than 50 of the world's earliest aircraft, many of which are lovingly kept in flying condition.

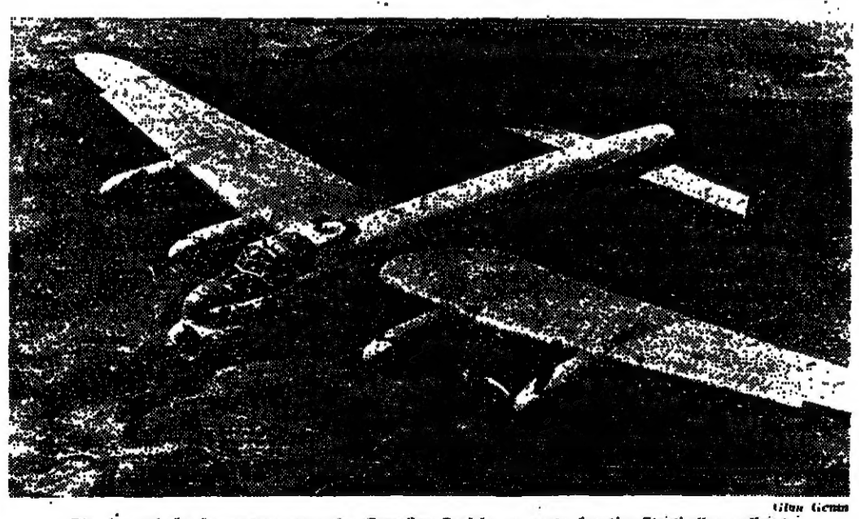
They include the Bleriot Type XI of 1909, a single-seater monoplane identical to the one in which Louis Bleriot made the first flight across the English Channel, and used in the Bleriot flying school opened at Hendon in 1910. Other famous aircraft include the French Deperdussin single-seat monoplane of 1910, a Bristol Boxkite two-seat biplane of 1910, an Avro 504K of 1915 and a Blackburn single-seat monoplane of 1912, *with a Sopwith Pup of* First World-War fame, and the original de Havilland Comet twin-engined low-wing monoplane which won the England-*Australia air race of 1934.*

Vintage aircraft are more than just a nostalgic whiff of the past for enthusiasts, conjuring memories of war-time airfields or the excitement of flying "by the seat of one's pants." They are now, in fact, almost approaching big business. For the genuine articles are exceptionally rare, and when they do emerge, and are authenticated, they can command high prices from collectors, especially in the U.S.

Their value creates dramas in the world-wide hunt for these rarities. There is no lack of enthusiasts to seek out a vintage aeroplane, but it is another problem entirely to gather the bits and put them together.

Some vintage aeroplanes are found dismantled or battered *in old warehouses, or on old air*fields; some are recovered from the lakes or bogs where they were shot down in action. Other so-called "vintage" aircraft are in fact precise replicas, carefully recreated from original working drawings, which in themselves are scarce, or from drawings in books. It all requires immense patience and money, but it is impossible to price any genuine vintage aircraft, for their rarity puts them beyond re-sale, once acquired by collectors.

This explains why there are only a few places in this country where these historic machines can be seen by the public. The Shuttleworth Collection itself is open daily, but there are other vintage aeroplane collections at: the RAF Museum, Hendon; the Royal Naval Air Station, Yeovilton; the Science Museum, South Kensington; and the Imperial War Museum, Lambeth.



Allan Gemin

The last of the Lancasters over the Canadian Prairie en route for the Strathallan collection

The Imperial War Museum has a large group of vintage aeroplanes in its galleries in London, including a Spitfire, a Swordfish, a Sopwith Camel and a Bristol Fighter (both from the First World War), a de Havilland Mosquito, a Japanese Mitsubishi Zero fighter, and several German aircraft. The Museum also keeps a large number of aircraft at Duxford Aerodrome, near Cambridge, which is being opened to the public regularly from June 28. Aircraft there include a Flying Fortress Bomber, a Gloster Javelin and an English Electric Lightning fighter, and a de Havilland Sea Vixen. These exhibits are considered too valuable to risk in the air, but there are regular Aviation Days at Duxford when, in conjunction with the Duxford Aviation Society, vintage aircraft from other collections can fly in. The next Aviation Day at Duxford is June 20.

The Science Museum has a replica of the original Wright Brothers' Flyer — the first "heavier than air" machine to make a sustained, powered flight in 1903—and it also has a replica of the Vickers Vimy bomber, as well as a Hawker Hurricane, a Spitfire, and the *original Gloster E28/39 jet aircraft*—the first British jet aeroplane. One of the original Vimy bombers was the first aircraft to fly across the Atlantic non-stop — piloted by the famous Alcock and Brown. That was just after World War I.

There are some other collections not open to the public, but whose vintage aeroplanes can often be seen at flying displays. These include the RAF's own Battle of Britain flight, based at RAF Station Coningsby, Lincolnshire — four Spitfires, two Hurricanes, and the RAF's only surviving Lancaster bomber. On average, the Battle of Britain flight performs at about 50 public shows a year.

The RAF Museum at Hendon, open to the public, has a growing collection covering the life-span of the service. Until May 31 it is staging a special exhibition of aircraft of the German Luftwaffe, with special emphasis on World War II. Included are a *Messerschmitt Me262A* twin-jet fighter, a propeller-driven Messerschmitt Me410A, a Stuka dive-bomber and, from World War I, a Fokker D-VII fighter.

The Fleet Air Arm Museum at Yeovilton, which has recently been extended, has 39 aircraft, mostly naval, but also now including the British-assembled Concorde prototype, 002, whose flying career is over.

The Fleet Air Arm has scoured the world for its aircraft, which now range from a Swordfish (the famous "Stringbag" of World War II fame, the fighter of many battles including the sinking of the Bismarck *some 30 other warships* and about 350,000 tons of enemy shipping), to a Supermarine Walrus amphibian of 1935 vintage, designed by R. J. Mitchell (*who was also responsible* for the Spitfire), and various post-war jets such as the Sea Venom. The Navy's search for its aircraft has taken it to a lake in Norway, where a Swordfish shot down in a raid was refloated, to a bog in Ireland where a Barracuda was recovered, and the hills of Southern India, where an Albacore was found.

What is probably the largest individually owned collection of veteran aircraft is housed on Sir William Roberts's estate at Strathallen, Perthshire. Forty-three airwarft have joined the collection since he bought a "job lot" of a Hurricane and *two Spitfire trainers six years* ago.

Sir William has scoured the world for exhibits—a Lockheed Hudson and a 1930 vintage de Havilland Puss Moth were retrieved from Australia, and, last year, a Canadian-bult Avro Lancaster was ferried across the North Atlantic. A Mosquito, two Harvards, a fleet of Ansons, and the only surviving Fairey Battle are other famous names in the collection. An Open Day *with flying display is scheduled* for Saturday, 17 July, but visitors are welcome at any time, either by road or by air at the Collection's 3,000 feet airstrip.

Admission details:
Shuttleworth Collection, Old Warden, Bedfordshire, open daily 50p, free car park. May 30 Flying Day, £2 for car and all occupants.
Fleet Air Arm Museum, Yeovilton, 25p adult, 10p child.
Imperial War Museum, Lambeth, free.
RAF Museum, Hendon, free.
Science Museum, South Kensington, free.
Strathallan Collection, Auchterarder Perthshire, adults 50p, children accompanied by an adult free, car parking 10p.

MICHAEL DONNE

Motoring

A fiver on R14

BY STUART MARSHALL

WITH THE YEAR less than half gone, it may seem a bit premature to start thinking about the 1976 Car of the Year. My excuse is that I have just driven the car that I *think will* win a four-way title fight.

The challengers are going to be: the Lancia Gamma, launched at the Geneva Show in March; the Rover SD-1, to be unveiled at long last at the end of June; Ford's Fiesta, due in late summer; and the Renault 14, which made its debut in France this week.

Though I have not tried the Ford Fiesta yet, I think the winning line-up could look like this: 1, Renault 14; 2, Ford Fiesta; 3, Rover SD-1; 4, Lancia Gamma. (If the bookmakers are listening, I would be happy to *chance a fiver on the result.*)

Renault has aimed the 14 at the heart of the most competitive section of the car-buying market. Their new 4-5 seat five-door will have to do battle with such front-drive rivals as the VW Golf, Citroen GS, Chrysler Alpine, Alfa Romeo Alfasud, and Austin Allegro. Probably the new Ford Fiesta, too, *though this will be a smaller* car than the R14.

The Renault 14 really is a new car from bumper to bumper, not a collection of bits and pieces from earlier models cobbled together into a semblance of a *new car. It has an aluminium*-alloy 1,218 c.c. capacity engine—east-west mounted for the first time in a Renault—that is a joint Peugeot-Renault development.

This engine has overhead camshaft valve operation, is installed tilted backwards *at an* acute angle to keep the weight low down, *and develops* 57 h.p. at a silky smooth 6,000 r.p.m. Drive goes to the front wheels (anything different would be unthinkable for a Renault) through a four-speed gearbox using the same oil as the engine.

The R14 *does not replace* any other Renault, at least not yet, *and in size and price slots* into the gap between the 12 and the ageing but still popular R16. Its face is not its fortune and it looks no better in real life than in the picture. Here it follows Renault tradition. Most of their cars *look off-beat but become* best sellers because they offer the public the right package. The 14 will not be available here *until 1977.*

In concept, the R14 is a variation on the highly successful R5 theme with the benefit of five doors instead of three and the drawback of a raised rear sill instead of a flat one.

Its outstanding *virtue* is mechanical refinement. The *lack of road induced noise* puts it up in the Jaguar/Peugeot *class.* Wind roar is minimal and the engine sounds remote even at 85 mph, which the R14 seems prepared to hold all day long. The main noise is from the gear train linking engine and gearbox, and this is not much more *than a soft hum.*

The engine is flexible, too, pulling hard from 20 mph in top and is far from thirsty. *Driving* it very hard in the Camargue and on the autoroute near Montpellier, I returned just under 35 mpg. Consumptions of 40 mpg-plus should come easily to the light footed.

Steering is light and accurate, *with a good lock, and the ride* typically French. The R14 rolls softly and absorbs shock over indifferently surfaced roads, with handling unaffected by adverse camber or broken edges. It leans over quite a lot on corners if you are trying very hard but much less so if driven sensibly. The seats, upholstered in a cheerfully patterned *nylon jersey* material, compliment the suspension and *don't stick to your back in hot* weather.

Two models are being offered in France, mechanically identical but differing in interior equipment and trim. The cheaper of the two lacks a revolution counter and trip speedometer, for example, and its front seatbacks do not recline.

There is room on the rear bench for an occasional third person and the luggage arrangements are of typically Renault versatility. The rear seat will fold down or can be removed altogether to turn the R14 into a semi-estate. Yet there is a shelf to keep the boot contents safe from *prying eyes if you* prefer to treat the car as a *saloon.*

Providing you are driving at a reasonable speed, the fresh air vents on the fascia have enough throughput to cope with South of France type weather, though in traffic you may have to open a window. They also demist the front side windows.

Whether my Car of the Year forecast is right or not, it is clear that Renault are on to another winner with the R14. *The mix is dead right: refine*ment, quietness, comfort and economy. *It must do well.*

Golf

Nicklaus by design

BY BEN WRIGHT

THERE ARE many lovers of golf who despair at the modern tendency to commercialise the game out of all recognition and completely ignore its traditions, but they would be surprised *and reassured to be at* Muirfield Village Golf Club here this *week for the memorial tourna*ment being played this year in honour of Bobby Jones. Both the course and the tournament are the brainchildren of Jack Nicklaus, a native of Ohio's capital city, who has contrived to produce in each a splendid blend of all things good in *golf, both ancient and modern.* The event has made a singularly auspicious start that gives it a much better chance of eventual recognition as the world's fifth major event than the much vaunted, widely travelled Tournament Player's Championship, which is reputed at last to have found a permanent home in Jacksonville, Florida.

Nicklaus formed a group of 18 prominent figures in the *game into a captain's club* which includes our own elder statesman, Gerald Micklem. Each year this estimable group will decide which legendary figure in golf, alive or dead, is to be honoured. Jones was an automatic first choice.

The club's badge depicts the British Open Championship trophy surrounded by a laurel wreath. Because Nicklaus first won the coveted gold jug at *Muirfield in 1966, the club was* named after that wonderful *Scottish golf course. But Jack* had the good sense to add the word village because this is essentially a real estate development set in rolling, wooded Ohio farmland.

The course is a masterpiece of uncompromising severity at 7,072 yards for the 95 professional players competing, and tight and challenging to an *amateur at 6,455 yards. Water,* mostly in the shape of a persist*ently fast running creek, is a* major factor, intervening at a minimum of 11 holes. The greens, shaved to 5-64ths of an inch—only at Oakmont do they set the cutters so low—are fiendishly fast and undulating.

They are *sown with a type* of Toronto bent grass that is *hard wearing and resistent to* spikes, giving a remarkably true roll at the end of the day, as I discovered in Tuesday's pro-am. Our team of four amateurs plus the U.S. PGA champion Dave Stockton finished only just before 7 o'clock. But even at that hour the greens were as perfect as they must have been when *play started soon after seven in* the morning. They had to be to *allow your correspondent to* hole his solitary birdie putt on the final green.

Controversy has surrounded the event from its inception, however. Many tour players were furious that one of their number, albeit such an exalted one, should be allowed his own tournament, and an invitational one at that to add insult to *injury. They are concerned that* a company with which Nicklaus *is closely associated is promot*ing an ever increasing number of tournaments, so there are several notable absentees, amongst them the current British Open and U.S. Masters champions. Several more players *who threatened to boycott* the event have thankfully reconsidered their decision.

Jack Nicklaus

The other major controversy concerns the course, and opinions are fiercely divided about its fairness. I loved the circular driving range which allows the golfer to practise with the wind blowing from any direction, but I was nearly *frightened to death on the* practice putting green, where *downhill putts gathered speed* beyond the hole and rolled clean off the surface.

Some uphill putts were much easier to practise, because if the ball failed to drop it would quickly return to your feet. But Ben Crenshaw, regarded by Nicklaus as the best putter in *the world, showed me how he* had perfected a technique with a particularly fierce uphill putt of 30 feet by striking it just past the hole, whereupon the ball would stop and topple gently into the cup on its way back. Certainly the greens on the course resemble marble staircases, and there will be players *who three- or four-putt them* before the weekend is out if the currently warm and windy weather prevails.

There are those who inevitably complain that Nicklaus has designed a course to suit him*self, but in my opinion this is* only true because it demands *perfect shot making, a magical* putting touch, and large measures of courage, character, concentration and patience. This is what the game is all about, and why Jack Nicklaus reigns supreme.

However, I do not agree with some complaints that the penalties are too severe for shots that are only a trifle less than perfect. The greens are already more than a little crusty *and none too receptive, and this* makes the smaller ones—of which there are several—perilously difficult to catch and *hold.*

For instance, at the 158-yards 12th, which is similar but perhaps superior to the 12th at Augusta National, the green is narrow and less than 3,000 square feet in area, set into a hillside sprinkled with bunkers. The tee-shot is struck from another wooded hillside across the largest lake on the course, which also cuts in close to the right of the green. In practice on Wednesday, Hale Irwin was bunkered just 10 feet behind *the hole, facing a terrifying* shot downhill towards the water with *no hope of stopping* his ball anywhere near the cup. He had almost *holed* his tee shot with a seven iron, but the ball had bounced hard and skipped into the sand.

The tournament can thus only be won by a great all-round golfer expert in course management. *I believe Nicklaus has* been too preoccupied with administration to be near his peak, as has been plainly visible for many weeks.

Although Tom Weiskopf has set his heart on winning his *home town arch rival's promo*tion, I prefer Irwin and Trevino *as course managers and Stockton* as the best outsider. But I doubt if par will be broken by more than four strokes.

Chess

THOUGH CHESS began as a war game and although some of its strategic techniques are comparable to major outdoor sports, the game has acquired its own specialist shorthand jargon.

In many ways this is a handicap which can discourage potential newcomers to the game, and I should like to see chess writers make more use of familiar analogies with other game situations.

One example is the phase which occurs after both sides have completed their routine opening development. When *there is no obvious direct attack* against the king and when *material and position are* balanced, then chess strategy in *the early middle game phase* often revolves round the *creation of outpost squares.*

The outpost, which in chess *terms means usually a knight* but sometimes a rook or bishop firmly established on a strong central square, can if successful dominate the board and prevent the enemy forces gaining active play. Its analogy is the tennis player in the net position or a soccer set piece just outside the penalty box; while its military equivalent is the advanced striking force which cuts the opposing army's communications between base and front.

The special feature of an outpost is that it should be immune to attack from the enemy pawns, and its special strength is that it enables a player to switch to either side of the board for the most promising attack. The *defender often finds that the out*post effectively cuts his forces in two, just as in the soccer analogy where the set piece *gives* options of a direct shot or outflanking the defence wall.

A rather rare but very effective outpost situation occurs when a central pawn can push far enough into the opponent's position to create the same bisection of the defenders as a well-placed knight.

This week's game, from last year's Solingen International in West Germany, shows a typical follow-up to such an outpost where Black's pawn wedge prevents White bringing enough pieces to defend his king. Though Black offers a rook and sacrifices a knight, his attack is really based on superiority of force where it counts—all thanks to the pawn push and the outpost.

White: Dr. H. Lehmann (West Germany). Black: L. Polugaevsky (USSR). Opening: King's Indian Defence (Solingen 1975).

The opening moves were 1 P-QB4, N-KB3; 2 N-KB3, P-KN3; 3 P-QN3, B-N2; 4 B-N2, 0-0; 5 P-N3, P-Q3; 6 P-Q4, QN-Q2; 7 B-N2, P-K4; 8 PxP, PxP; 9 0-0.

White's tame development (3. P-QN3) and cautious pawn swap (6 PxP) have already conceded the initiative; if 9 NxP, N-N5 wins material because if 10 N-Q3, BxB; 11 NxB, Q-B3.

9...P-K5; 10 N-N5, R-K1; 11 Q-B2, P-K6!

The tactical point of this thrust is 12 PxP,N-N5; but more important is that White's Q-side pieces are now cut off from stopping the king's side attack which Black prepares with his next few moves.

12 P-B4, N-B4; 13 R-Q1, Q-K2; 14 N-QB3, P-B3; 15 P-QN4, B-B4; 16 Q-B1, N-K3; 17 P-N5, NxN; 18 PxN, N-R4; 19 PxP, PxP; 20 N-R4.

White's earlier play was based on winning material by 20 BxP, but now he finds that 20...QxP; 21 BxQR, NxP! 22 PxN, QxP; 23 K-R1, B-K4 then gives Black a mating attack.

20...BxB; 21 QxB, QxP; 22 Q-B3?

White intends 23 Q-K1, but Black already has four pieces lined up against the white king compared with the solitary bishop defender, while the pawn outpost keeps the other white pieces stranded on the queen's side. White should try 22 R-KB1.

22...B-K5!

For if 23 Q-K1, BxB; 24 KxB, N-B5 ch followed by N-R6-B7.

23 R-Q4, NxP! 24 PxN, QxP; 25 RxB, RxR; 26 Q-K1, Q-N4; 27 K-B1, R-N5; 28 Resigns.

LEONARD BARDEN

POSITION No. 116

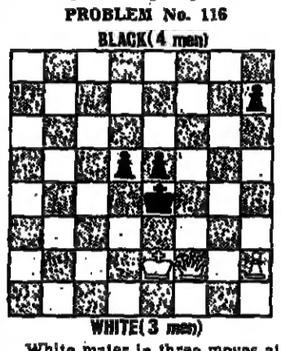
BLACK (11men)

WHITE (10men)

Fraguela v. Larsen, Las Palmas 1976. White (to move) is a rook for two pawns up, but Black's last move NxKP threatened the White queen while Black's bishop and queen on the long diagonal set up mating threats. Can White *turn the tables by* 1 Q-K3?

PROBLEM No. 116

BLACK (4 men)



WHITE (3 men)

White mates in three moves at latest, against any defence (by Sam Loyd).

Solutions Page 2

Bridge

BREAKING WHAT IS for him *new ground,* Terence Reese has produced his latest work, Bridge by Question and Answer (Arthur Barker, £3.25), which consists of some 75 problem hands of real excellence. I thoroughly recommend this *book*—I am *confident* that you will not be disappointed.

Here is a slam hand, which the original declarer failed to make:

N.
♠ K 6 4 3
♡ Q J 10 8 2
◇ A 4
♣ 9 3

W.
♠ J 9 5 2
♡ 9 7 6 5
◇ 8 5
♣ K 7 4

E.
♠ 10
♡ 4
◇ K Q J 10 7 6 3
♣ 10 6 5 2

S.
♠ A Q 8 7
♡ A K 3
◇ 9 2
♣ A Q J 8

East was the dealer, with both sides vulnerable, and hoping that a pre-emptive bid might *make things difficult for the* opponents, he opened the bidding with three diamonds, which was doubled by South for a take-out.

North felt that his powerful hand could best be indicated by a *cue-bid of four diamonds,* and South in turn felt that after his partner's strong response a mere four spades would not do justice to his own 20 points, so he made a further cue-bid of five diamonds — the only forward-going move that seemed possible at this point.

North now said five hearts, South said five spades, and became declarer at a final contract of six spades. This was a very intelligent bidding sequence — now all South had to do was to make 12 tricks.

West led the *eight of* diamonds, which was won on the table by the Ace, and everything seemed set fair until South cashed the Ace and Queen of trumps, and learnt that West had a sure trump trick. The Ace and King of hearts were now cashed, and East once more *turned up with a singleton.* At this stage the slam is a certainty, but the declarer, an international player, failed to bring home the contract.

It was *obvious* that South's losing diamond could be dis*carded on the fourth heart,* but the declarer could not see that there was any way of avoiding the club finesse. He played two further rounds of hearts, discarding his nine of diamonds, to leave the following position:

N.
♠ K 6
♡ 10
◇ 4
♣ 9 3

W.
♠ J 9
♡ —
◇ 5
♣ K 7 4

E.
♠ —
♡ —
◇ K Q
♣ 10 6 5 2

S.
♠ 8 7
♡ —
◇ —
♣ A Q J 8

At this point the declarer played dummy's ten of hearts, discarding a club, West ruffed, *and got off play with a diamond.* South had to ruff this, then drew the last trump with a spade to the King, finessed the club, and went one down.

Let us look again at the diagram. Instead of leading the ten of hearts from the table, the declarer should lead the four *of diamonds and ruff in hand.* He crosses to dummy with a spade to the King, and now is the time to lead the ten of hearts, for West has been stripped of his exit card. West has the choice of ruffing or discarding. If he ruffs, he has to lead a club into South's major tenace; if he discards a club, he is only putting off the evil *hour,* for he is then thrown in with a trump, and now he is *forced to give the declarer two* tricks in clubs.

The declarer seemed to have a blind spot but, as Terence Reese says, it is easy to miss an endplay when the throw-in card is a trump.

E. P. C. COTTER

Travel

Busy on holiday

BY SYLVIE NICKELS

A SPRING or two ago, I joined a group of bird watchers on Majorca for a couple of days. It was at that rugged northern end of the island round Puerto de Pollensa. We did a lot of walking under towering cliffs and sitting around on mountain slopes fragrant with thyme and rosemary, and we spotted all sorts of things from an osprey and three booted eagles (light phase) to a fire crest and a pied fly catcher. Everyone was extraordinarily nice, lending me binoculars and bird-identification books, and not even laughing when one of my "spottings" turned out to be an aircraft.

People with special interests usually do seem rather nice I've found, and there is certainly no shortage of all-in arrangements these days catering for most likely pursuits, as well as quite a few unlikely ones.

Still on the subject of birds, Cox and Kings have a particularly varied programme to some of the geographically most suitable parts of the world, such as northern Scandinavia, Spanish Pyrenees, French Camarge and Romanian Danube Delta. A 15-day holiday to the latter departs August 14 and costs from £259, for example. *Quite a few departures, however,* are in spring or autumn, timed to coincide with migration movements; nearly all are accompanied by an expert in the field. An exception is a 16-day arrangement to the Seychelles with twice-weekly departures throughout the year, costing from £459. Though there is no escort in this case, the price includes two nights on the naturalist's paradise of Bird Island; other excursions are available as optional extras.

Some arrangements have a dual appeal. Ramblers Holidays, for example, twin flowers and photography in a number of European centres. Swiss railways, including the vintage variety, provide another popular theme in Ramblers' annual programme (15 days, departing June 12 this year, for around £200 *all-in*). But this company are best known for their mountaineering and walking holidays for which the range is considerable at most levels of altitude, experience and creature comfort. They usually last two weeks, and each is carefully described so that it is certainly not Ramblers' fault if you find yourself roughing it on a tough high level walking tour when you are better equipped for gentler activity from a hotel base.

The choice is particularly wide in Austria and France, but there are also far less obvious places like the Semien mountains of Ethiopia (two departures in October, in the medium-strenuous category, from £261). I have merely flown over this extraordinary chunk of African topography, but to be among its granite spires and plunging precipices must be quite unforgettable. Accommodation is mostly under canvas.

A friend of mine recently crossed the Semiens on a mule, but riding enthusiasts will probably prefer rather more orthodox equestrian ventures offered by a number of organisations. Among them is Aventura whose well-established horseback expeditions are based on Andalucia. They offer frequent departures from May to October to the Sierra Nevada, and spring and autumn ones to the Valley of Lecrin in the neighbouring Sierras; duration 15 days, cost £239. As for all activity holidays, of course, you need to be fit and prepared to expand some energy. Waymark is another company offering walking and riding tours.

Art, in its various forms and gentler way, also attracts a considerable followings, some exploring their own talents for the first time. Galleon's artist-tutored painting holidays entered their 29th season this year, and their annual exhibition based on these shows how much latent talent some of us may not know we have.

In addition to over 30 centres in the U.K., Galleon offer a number of places on the Continent, chosen among other reasons for their own intrinsic charm or the beauty of their setting. Belgian Bruges and Spanish Cadaques are among the foreign offers, while the choice in Britain ranges from Woodbridge in Suffolk to Whitby in Yorkshire. Some courses are specially for beginners, others general painting weeks, yet others concentrate on some aspect such as portait painting or landscapes or flowers and foliage. For a week, the all-in cost is in the £45-£60 range. Music festivals, at home and abroad, are among Heritage Travel's specialities.

In Britain, the various tourist Boards, national and regional, are good sources of assistance. The English Tourist Board's "Activity Holidays '76" (60p plus 20p postage), for example, has over 80 pages of ideas ranging from antiques to yoga, with addresses and prices.

Most of the foreign national tourist offices in London can produce free lists of travel firms featuring holidays to their particular country, in some cases specifying those catering for special interests. The French Government Tourist Office is particularly good in this respect.

Finally, though it hardly qualifies as an active holiday, I have had news from the Swiss National Tourist Office recently *of arrangements aimed at those* addicted to the dreadful weed. Locarno is organising a programme of special weeks to help you to stop smoking. If you are going to have traumas, this is a very pleasant place to suffer them—and the eventual savings could more than pay for it all . . .

Further information: Cox and Kings, Vulcan House, 46 Marshall Street, London W1V 2PA; Ramblers Holidays, Wings House, Bridge Road East, Welwyn Garden City, Herts.; Aventura, 52 Earl's Court London W8 6EJ; Waymark Holidays, 295 Lillie Road, London SW6 1LL; Galleon, 48 Cathedral Place, St. Paul's, London EC4M 7PB; Heritage Travel, 22 Hans Place, London SW1X 0EP; English Tourist Board, 4 Grosvenor Gardens, London SW1W 0DU; French Government Tourist Office, 178 Piccadilly, London W1V 0AL; Locarno Tourist Office, Via F. Balli 2, 6600 Locarno, Switzerland.

Your week-end £: Austria 32.9, Belgium 69.5, France 8.28, Italy 1,580, Greece 62.5, Spain 114.23, Switzerland 4.28, U.S. 1.76. Source: Thomas Cook.

Riding in Spain

Gardening

Permanent friends

BY A. G. L. HELLYER

STRICTLY SPEAKING perennials are any plants that go on living indefinitely, but the *garden convention is to confine* the term to plants of fairly soft growth. This excludes the real "woodies" which are more conveniently referred to as trees or shrubs, but admits many plants that are technically known as sub-shrubs because they make a semi-permanent framework of stems which never become really hard and are usually at some risk in severe winters. It is not a particularly tidy classification nor a wholly logical one, but it is very convenient for these are all plants that fulfil a similar role in the garden.

Years ago they were used primarily in herbaceous borders but there was never any real reason for this except that it was the fashion. Perennials have always been good mixers and the modern tendency is to use them wherever a degree of permanency is required, which nevertheless allows for easy rearrangement or renewal if plants outgrow their station or a change in style is required. Trees and shrubs are far less obliging and have an uncomfortable habit of growing too slowly at first and then suddenly spurting away to dimensions that one had never adequately visualised when they were *planted.*

Though numerous books have been written about perennials many of them are discursive and few have the discipline and comprehensiveness of genuine *encyclopaedias. So I welcome* the latest publication on the subject, Perennial Garden Plants, by Graham Stuart Thomas, whose books on old garden roses and shrub roses are models of their kind and have long been in great demand.

For many years Mr. Thomas was associated with James Russell at the Sunningdale Nurseries and the catalogues they jointly produced became essential reading for all enthusiastic gardeners. One of these was called The Manual of Shrub Roses, the other The Modern Florilegium, a title which I confess I never fully understood. It appears again as a sub-title to Perennial Garden Plants, and in his foreword Mr. Thomas explains that he chose it originally as the Latin equivalent of "anthology", meaning a collection of flowers. In fact his new work, published by Dents, though in some measure based on that excellent little handbook, is a far more ambitious work, a large volume of 389 pages well illustrated, *strongly bound, and costing* £9.95. It includes ferns and ornamental grasses as well as flowering plants, cuts the introductory matter to a minimum, and by page 40 is launched on *its straightforward alphabetical* way with a short but adequate description of each species or variety.

Mr. Thomas is a highly practical guide, which is not surprising, for he has grown some nine-tenths of the plants he describes. That this is possible is due to the fact that he was trained in the University Botanic Garden at Cambridge, has managed two large nurseries, was for many years garden adviser to The National Trust, and still, in semi-retirement, retains the position of garden consultant to that body. So he has been able to observe plants for a great many years in many different circumstances and situations and can pass on his own observations of their behaviour, limitations and particular value.

Some of the plants he describes will almost certainly be unfamiliar to most readers and many will almost certainly be impossible to buy from ordinary sources, but then that has always been true of *good plants, for the economics* of the nursery trade make it impossible to stock more than a tiny fraction of the species that could be grown in British gardens. It is a difficulty that keen gardeners have usually succeeded in overcoming by personal exchange, by acquisitions from non-commercial sources and by raising plants from seed which is often available even when plants are not.

Crocosmia x crocosmiiflora "Queen of Spain" from Perennial Garden Plants by Graham Stuart Thomas

Certainly there are many plants in this book of which I knew nothing — streptopus, for example, which is described as allied to polygonatum, the Solomon's Seal of which I am particularly fond. One species, named *streptopus roseus*, sounds particularly attractive, for it is said to have stems which twist and branch, and bell-shaped flowers which are of old-rose tint. Mr. Thomas recommends it for "a dimpsy corner," but gives no explanation as to what "dimpsy" means. It is one of the very rare occasions when he does not make his meaning completely plain.

Mr. Thomas has not only written this long and erudite work, but has also illustrated it entirely himself, with photographs in colour and monochrome, one charming water-colour of the American lady's slipper, *cypripedium reginae*, and 16 delicate pencil drawings. It is because he looks at plants so closely that he is able to describe them so well.

Time for transfers

From now until June 8 will almost certainly be the most favourable time to plant out summer bedding plants and all the more tender vegetables in most parts of Britain. To do it earlier could have been to run some risk of destruction by frost in all except the mildest districts, and to leave it later would be to lose valuable growing time. If there should be warnings of unseasonable cold —and radio and television weather reports are usually very reliable on such matters—it should not be too difficult to protect plants for a night or so with newspapers or something of the sort. It does not take much to check the kind of short duration radiation frosts which are all that we are likely to experience now.

To make room for the summer bedding plants those put in for spring display must be removed. Wallflowers should be put on the compost heap, but forget-me-nots can be thron on to a piece of vacant soil on which they will shed their seeds and provide free seedlings in a few weeks. Tulips and hyacinths should be lifted carefully and replanted close together in shallow trenches to complete their growth. Polyanthus plants can be lifted, divided and replanted six to eight inches apart in any vacant place to make good plants for use again in the autumn.

The principal vegetables to plant now are marrows, outdoor cucumbers and tomatoes and sweet corn, but some gardeners will wish to add aubergines, peppers and the new golden berry, *Physalis peruviana* to this list. All need warm sunny places and tomatoes, aubergines and peppers in particular will benefit from the protection of a south facing wall or fence. But remember that the soil in such places is apt to be dry. See that the plants get plenty of water from the moment they are put in.

Those who have no space for tender vegetables in the garden proper may well be able to grow them in the special peat growing bags which are now freely available in all garden centres. These can stand on a path, balcony or any other convenient place. They give excellent results provided plants are well watered and also regularly fed after about one month, by which time most of the nutrient originally provided will have been exhausted.

The Dogs

A change of pace

I ONCE had a dog which used to chase passing trains with an enthusiasm which far outweighed his ability and a rate of success that might have daunted even the most fervent Taoist. But he enjoyed it and always came back with a smug look which promised rare mayhem next time, if only. . . .

He was rather less joyful when beaten by a friend's dog to the prize of a thrown stick. Do what he could he never got there first, his legs were too *short and his body decidedly* chunky. What he would have thought of racing greyhounds had he ever met one is difficult to say but a ten-minute session of sulky disobedience is *very much on the cards.*

Greyhounds or their like have been racing against each other for an awful long time. Rangy and ribby they are renowned for their speed and staying power. If it moves they will chase it and woe betide the slow starter.

But it was not until 50 years ago that greyhound racing was given the formal commercial look in this country and established as the sport as it is generally known to-day. In July the National Greyhound Racing Club celebrates its Jubilee with a series of special meetings up and down the country and in a manner which is a far cry from the early days.

Now there are only 49 tracks left which can be described as offering first-class facilities and last year the turnstiles clicked 6.2m. times to keep the game at a claimed number two in the attendance league for spectator sports—disputed by speedway. There are also many clubs, mainly in the North and Scotland, which are still known as flapping tracks in memory of the days whe nowners stood at the other end of a marked straight course an dwaved handkerchiefs to attract their pride, joy and with a bit of luck the evening's beer money.

The cost of going to a meeting can be very low. There are normally eight races during an evening and the standard ticket costs 50p. Add betting losses to taste. But it is not to the terrace punter that track operators are now concentrating their appeal. In the last few years the vogue has switched to watching the races from the comfort of a dinner table in a restaurant stand overlooking the track. Entry to this area will be about £1.50 and the cost of the dinner, including wine, a further £4 or £5 a head. But for the armchair betting man there is the perfect compromise of sitting in a warm protected area but nevertheless participating as an on-the-spot spectator with the additional convenience of being able to press a button and have a messenger place a bet, return with the ticket and then pick up any winnings. It's suspiciously like king-size television.

While every effort has been to woo the public there is grave concern behind the scenes over that perennial bugbear, money. The basic problem is that very costly facilities are producing too low returns and no accountant like that. Although the average purchase price of a bog is only £160—something like 75 per cent. are brought over from Ireland—they can easily cost a lot more with the right kind of breeding or record and it would cost more like £2,000 for a first class dog and up to five times that for a Derby winner.

The average cost of keeping a dog in kennels and training is £9.47 a week and that is where most dogs are kept; the kennels are either attached to the stadium or run by independent trainers. A dog that is truly fit will normally not race more than once every ten days. The rewards are small for the owner as first prize more often than not is under £25.

The main reason given by the promoters for the low prize money is that they are not getting the revenue to make the amounts more attractive. They do not receive a levy on off-course betting as happens in horse racing and the legalisation of betting shops in the early 60s reduced the number of people going to the track to bet.

From a peak just after the Second World War of a total of 209 major tracks and club tracks with over 25,000 dogs in training there are now 109 tracks and club tracks with 11,500 dogs in training. Until recently most of the tracks were individually owned except for a string of 12 owned by GRA, a public company with diverse but badly troubled property interests. Now Ladbroke has bought six stadiums and Coral one and there are fears that if the Royal Commission on Gambling is persuaded to place a levy on grey*hound racing to help the sport* large bookmakers will be able to pay out with the left hand and collect it back with the right; but then, if a bookmaker does not know how to hedge a *bet, who does?*

Meanwhile life is considerably improved for those that visit the tracks and the image of cloth cap and muffler has probably been dispensed with for ever. I understand it is terribly, terribly chic to own a cheetah. That should present some possibilities for the future.

STUART ALEXANDER

How to spend it

by Lucia van der Post

The Specialist Shops

Almost every successful shop has to have a distinctive identity and in that sense every good shop is a specialist shop. However, this week I am featuring a few shops that are specialist shops in a more limited sense in that they concentrate on particular ranges of merchandise. Alas, specialist shops often seem to need a large metropolis like London to flourish, but where they do offer a mail order service I say so.

AMONG THE GARDEN furniture on display at last week's Chelsea Flower Show I decided that a collection of cast aluminium furniture by the firm of J. Newall seemed to look much the most at home beneath a grey English sky. All those brightly-upholstered chaise-longues, bravely pretending that the weather was just like the South of France (it was nothing of the sort) looked, to my eye, distinctly out of place.

I know that the Newall designs are not original but then I happen to like the rather ornate and twirly lines in garden furniture. There are several different sorts of designs all of which can be seen at The Patio Scene, 171, Lavender Hill, London, S.W.11. The shop specialises in garden furniture and is run by the same Mr. Newall. He likes making special designs to order and will enamel the cast aluminium in a wide range of colours if wanted.

Cast aluminium is much lighter than wrought-iron so the furniture can be moved, but not so light that they tip over in the wind. The paintwork is stove-enamelled so that it doesn't rust and it can therefore be left outside all the year round. The Adam chairs in the picture are £16.50 each, the Lily table is 28 in. in diameter, 26 in. high and is £22.00. The small stool, on which the flowers stand, is £12.00.

LAST week a shop specialising in pure silk clothes for men was opened at 120, New Bond Street, London, W.1. The brainchild of the Cecil Gee organisation and called simply "Cecil Gee Pure Silk" it might seem a gesture of almost absurd optimism to be opening such a shop at such a time.

However, as they rightly point out, now that everything is expensive silk has come to seem, comparatively, less of a luxury fabric. Silk shirts often sell for the same price as the best cotton ones, suits in silk cost the same as those of high quality wool or wool/polyester, while silk used for underwear, socks, pyjamas, dressing-gowns and the like seem to be only slightly more expensive than top-quality rivals.

For those who think of silk as the lightweight, fine material usually associated with blouses the range of silks at Cecil Gee is something of a revelation. There are a variety of weights and weaves and it has been used for suits evening wear, shirts, underwear and what I call nightwear but they rather coyly call sleepwear.

I see it as being a potential answer to all those desperate searches for presents for the menfolk in my life. For men who like shopping for themselves the shop offers the additional attraction of a shower complex with Givenchy (what else?) towels, and a Telex.

This cream silk dressing-gown which is piped and monogrammed in black is from the shop and seems to me one of those numbers that would look just as good on a woman. It comes in three sizes, small, medium and large and may also be black with cream piping and is £69. The black pin-striped scarf is £14.99.

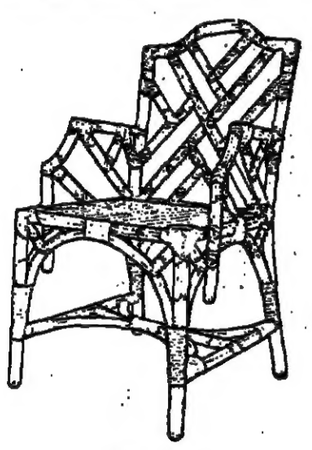
THE REJECT SHOP idea is such an obviously simple one that one wonders in retrospect why it took so long for anybody to do it. The answer is, I suppose, that other people tried it but didn't do it with the panache that Anna and Anthony Hawser have brought to it.

They decided that they would sell only nice things but they would be able to sell them cheaper because they would be ends of lines, or manufacturers' discontinued stock, or would have some flaw small enough or invisible enough not to spoil the item itself.

They therefore got together a rather glossy-looking shop at 245, Brompton Road, London, S.W.7 (not far from Harrods), and from the beginning it was an amazing success. They followed this up with a branch at 62-63, East Street, Brighton, and this week they opened the largest and newest branch at 209, Tottenham Court Road, London, W.1.

Here they have expanded the range of goods they sell enormously—they hope to have much more furniture and for the opening there was quite a selection of the newly fashionable rattan, as well as the more usual chrome and glass. They are also branching out into clothes—housecoats, scarves, and full-length aprons, while the usual glass, china, basketware, toys and so on have not been left out.

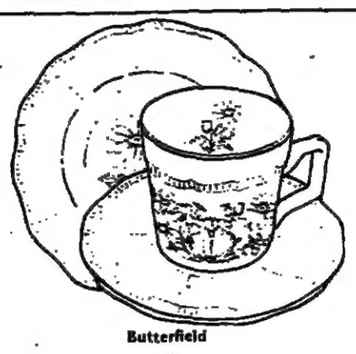
They claim that prices are between 20 per cent. and 50 per cent. below normal retail levels though I have to say that many things didn't seem as cheap as I had expected.



Rattan chair

Home Sweet Home mugs

To give you some idea of the sort of merchandise you'll find at the new shop here is a selection. The rattan chair is £38.50. The cup and saucer is from the Butterfield pattern by Enoch Wedgwood and is 72p for the two. The plate from the same collection is 40p. The Home Sweet Home range of pottery is particularly attractive and new to me. The small planter (it is only just over 4 inches high) has a greyish-bluish background with edging and writing in an earthy brown. It is £2.08, while the collection of similar mugs sell at 63p each.



Butterfield

Home Sweet Home planter

Shapely but nameless

IT HAS TO BE SAID at once that Rosenthal's newest collection of earthenware is far from cheap. But to my mind it represents such a departure for Rosenthal, being at once so rich and elegant-looking, that I think it is worth showing even though only a few of us will be able to afford to buy it, let alone use it.

Called "Shape Without a Name" Bjorn Winnblad, the Danish designer, was responsible for this collection. He has obviously gone through something of a revolution in his approach to earthenware in that it is a long time since I have seen shapes at once so pleasing and so original. The four-leaf clover forms the basis of the pattern and the shapes have a sturdy, roundness that seems a happy departure from all the strictly geometric-looking shapes that seem to have been emerging from Rosenthal over the past decade.

The pottery can be either earth brown or a leafy green. A 24-piece dinner service is £85.15, a 23-piece tea set is £49.20, while the 18-piece coffee set is £43.80. In green the prices are slightly lower.

A particularly luxurious version in brown with gold patterning is shown in the photograph and the price for this dinner service is £193.70, a tea set is £84.95, and a coffee set is £65.50.

To complement the earthenware there is a series of glassware and cutlery—to my mind equally desirable.

For the moment all the Shape Without a Name collection is exclusive to Heal's, of 196, Tottenham Court Road, London, W.1, and Tunsgate Guildford.

Postscript

NOW THAT summer is here it is useful to know that Benedicta mayonnaise (which to my mind is one of the only two decent bottled versions, the other being Hellman's) has reduced its price so that a 9½ fl. oz. jar is now 33p instead of 39p, the 12½ fl. oz. jar is 42p instead of 49p and the giant 19½ oz. jar is 65p instead of 72p. For picnics they have also produced a mini-tube of mayonnaise which costs 21p for a 3½ fl. oz. tube.

● For those with deep freezes and of a forgetful turn of mind the problem of cutting up frozen lumps into more easily handled portions is quite considerable. Ordinary knives are simply not up to the task and indeed their cutting edges would be ruined if you tried.

Kitchen Devils have for some years had a knife intended for this purpose but they have recently improved its design further. It has a high carbon steel blade, Teflon coated as before, but they have now given it a longer reach making the blade itself 8½ in, whilst the complete knife is 13 in. They have also discovered that wider spaces between the teeth gives better performance when cutting small portions.

This is primarily a tool for cutting things like vegetables or fish—it does not replace the electric band saw needed for cutting up joints of meat. Like all the Kitchen Devil Lifetime knives this is guaranteed for a lifetime of normal use. I obviously can't wait for a lifetime of normal use before passing an opinion on it. I can only say that I have used other knives in the same range for several years now and they are all still doing sterling service.

The knives are to be found at Selfridges of London, Kendal Milne of Manchester and Bentalls of Kingston. It is £2.20.

One other frozen food accessory from the same firm is a frozen food bag sealer retailing at £3.40 with two reels of tape, enough to seal 1,400 bags.

POOLEY'S IS A VERY specialist, specialist shop, if you see what I mean. It only opened last week and its raison d'etre is to sell high-quality leather and cork goods.

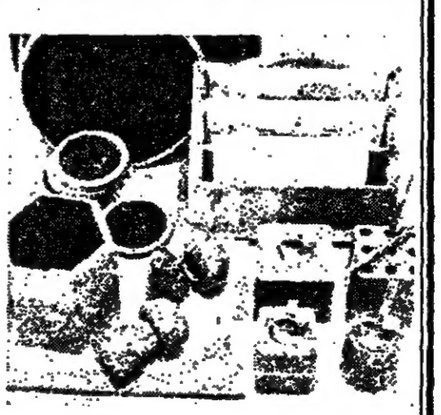
All the cork items have been made exclusively for Pooleys and include things like a pen holder, letter rack, lighters, coasters, and the like.

On the leather side the chief range they will be carrying is the very high-quality German collection by Etienne Aigner. It is available in England for the first time from them, and though its name is nothing like as well known as Gucci and Hermes, it is in the same sort of class.

For the moment they are mainly selling the smaller leather items—things like handbags, note-pads, key rings, and so on, but they have a collection of Etienne Aigner suitcases coming in shortly.

Pooleys does sell a few things that aren't made of leather or cork—marble door-stoppers and ash trays, Chinoiserie lamps and cache-pots.

As yet there isn't a mail order catalogue but they hope to print one soon. Meanwhile for those who are shopping in the Knightsbridge area and are interested in exclusive cork or leather items, the address is 198, Walton Street, London, S.W.3.



Prices are not, obviously, cheap. In cork a set of six coasters would be £2, while the letter rack is £14. In leather, a key ring is £3.50 while handbags are about £65.

THE tennis season is just under way and for those who don't feel that their existing tennis wardrobe does much for their appearance Debenham had the good idea of asking Hardy Amies to design an exclusive range of tennis clothes to be sold through the 20 branches of Debenhams.

Ever since Teddy Tinling left Britain for America we have had nobody who took a special interest in tennis clothes and, as tennis and indeed all sports, are enjoying such a vogue, it seems a good moment to inject some interest in that area.

Hardy Amies, it has to be said, hasn't designed a range that is over-exciting but it is extremely reasonably-priced, very practical (a variety of easy-care fabrics have been used, all of which go into the washing machine and all need just a minimum of ironing) and very functional, in that it would actually be possible to play a good game of tennis in them.

Most of the clothes would be very acceptable on the most hallowed lawns as only a little trim of scarlet, navy and green stripes has been used on predominantly white garments. For those who like their designers to sign their name there is an H.A. motif on skirts and shirts.

The collection comprises clothes for both men and women but in the photograph there is a shirt, skirt and cardigan for women. The acrylic short-sleeved shirt is £4.75, the ribbed acrylic cardigan is £6.50. The flared skirt has a flat, panel pleat at the front and back and a tie belt. It is 67 per cent. polyester, 33 per cent. viscose and costs £5.75.

The complete range is available from the sports departments of most Debenhams stores.

Property

Making space

BY JUNE FIELD

St. Paul's Hall, 20, Bridge Road, Hunton Bridge, King's Langley, Hertfordshire, is a converted hall with planning consent to use part of the building as offices. The unusual open-plan living accommodation has five bedrooms, two sitting-rooms, kitchen and bathroom. The office or studio area is about 550 sq. ft., and is approached through a separate front entrance, although it can be merged into the living area if required. The price of £27,000 includes a certain amount of specially tailored furniture. Agents: Stimpson, Lock and Vince, 9, Station Road, Watford, Herts.

I HAVE ALWAYS felt that a house should be regarded as a living thing, not an inanimate pile of bricks and mortar; and when one that is truly loved goes up for sale, some of the congenial atmosphere it generates must rub off on the next owner. That, anyway, is what I think should happen with a Victorian school hall which has been tenderly converted into a home and studio by designer Alan Tye.

St. Paul's Hall, Hunton Bridge, King's Langley, Hertfordshire, was in fact two double-storey halls divided by rolling shutters, the larger part built about 1870; a flat-roofed extension was added at a later date. The building was used both as a hall for St. Paul's School and as a village hall, and when the school was moved in 1960, the hall was abandoned.

"Outside it looked gaunt, and extremely offputting admits Alan Tye was bought it in 1968. "But as I was desperate for a house with office combined I looked inside. There were dripping taps, a filthy uneven wooden block floor, overflowing sinks, old boilers, huge cookers and decades of neglect. But subsequently, beneath the dirt was revealed a fine dry timber floor which we sanded and never changed. Amazingly the price we sold the old commercial cooker for was enough to pay for all the materials for the new kitchen which I designed and made myself.

"Having been used as a hall for school dinners, etc., there was a girls' cloakroom with rows of basins and WCs, all dark damp and smelly. A door marked "boys" simply led out to the open air and a urinal wall in a shed. By gutting the "girls," but retaining the plumbing and lining the walls with thick cork before tiling we made a good size bathroom which is always free from condensation.

"In spite of the dreadful state of the interior, shining through it all was a beautiful volume and character. It was love at first sight and we have fond memories of seven happy years in the place. We moved in before work was finished, and the sanitation and light switches were furthermost from the improvised bedroom, so that at first it was quite an experience groping through the dark. The cellar was absolutely full of broken chairs and rubbish of ages past, but it was subsequently turned into a magnificent wine store.

"The garden was tiny, and completely covered with eye-height nettles right up to the door. Once cleared, a four foot mound was revealed consisting almost entirely of large bones. One I was sure was a human thigh, but turned out to belong to a cow! Obviously the garden had been used for years as a kitchen dump. More digging also revealed hundreds of bottles and tins. Eventually our little garden was beautiful; it faced due south and was completely secluded so one could sunbathe naked. We also used it a great part of the year for having meals outside. Plants grew furiously, due no doubt to the rich soil resulting from the mountain of bones and food remains.

"The conversion was relatively easy, and the place had such a wonderful character that difficulties were kept in perspective, and accepted without tears or tempers. We feel that for very little effort, mainly cleaning and improving, it has repaid us ten-fold by revealing its superbly happy architectural qualities. It has become so much a part of our life we hate to let it go. Only the possibility of fulfilling a lifelong ambition, designing and building my own house, has persuaded me to leave, and our new house is deeply influenced by the volumes of space we enjoyed at St. Paul's Hill."

Alan Tye realises that the place may be difficult to sell because of its unusual qualities, and that some people are frightened of old property. "But we never had to do any major surgery, and we do not feel that any is needed now. It really needs someone who wants living and office accommodation, and most important, has some ready cash."

Mr. Tye is asking £27,000, against which he says that he has had overdraft facilities of £30,000 based on the deeds of the house. Building societies, he feels, are not interested in this type of property. Illustrated details from the agents, Stimpson Lock and Vince, 9, Station Road, Watford.

Spain again

ON THE costas of Spain the tall apartment blocks continue to rise like trees in the forest, and the villas to mushroom on the sides of hills already almost packed to capacity with bricks and mortar. It is difficult to believe that so much can still be built, and sold, but the Spaniards themselves are buying holiday homes now, and outwardly, at any rate, there is an air of activity, even prosperity in a property market no longer besieged by the British.

There are other changes, too, on the Spanish property scene, not unexpected in to-day's economic climate. The steep increase in the price of petrol over the last six months, as well as the high cost of conversion work, has cut down the trek to out-of-the-way hill villages to do up isolated farmhouses; and particularly on the Costa Blanca, which I visited last week, the set-up of various selling operations has changed too.

At Raspeig, the award-winning apartment complex at Campello, about 8 km. from Alicante, so long under the wing of OSL (Owners' Services Limited), the selling of the new phase, "Barranquet," has been taken on by International Investment Consultants, who have a sales office there. A newly formed company by two ex-OSL men, Neil King and Ramos Rosarios.

But interest is high among their Middle East clientele to whom they already sell central London apartments. "Although Spain is not a widely known country in Iran, it is popular with wealthy Iranians who are very keen to buy property there," explained Neil, who at the moment runs the business from 12a Albert Hall Mansions, London, S.W.7, while looking for a shop-window in Kensington. Their sales material is aimed at the Spanish market too, with literature produced in Spanish, English, and Pharsee for the Iranians.

The Raspeig apartments cost around 1,472,000 pesetas (about £12,000 give or take a falling pound or two), for a large three-bedroom, two bathroom apartment with two large sun terraces. It is interesting, if academic, that in my file I found a brochure produced by an agent in 1968. Similar accommodation in one of the first-line blocks was then around £3,540 at the rate of 168 pesetas to the pound.

For those who are already owners or controllers of overseas property, it makes sound sense to become an OSL member. Their comprehensive handbook is almost a complete *aide memoire* of all you need to know about letting potential, how to find tenants, travel arrangements and so on. The data provided is very detailed and professional, and seems to be well worth the current annual outlay of £3.24. For a free introductory booklet on the scheme write to George Harris, manager of their new Marketing Services Unit, OSL, Broxbourne, Herts.

The Pueblo Los Alamos is almost on the beach at Denia, on the Costa Blanca; it is built around a central courtyard. There are attractive apartments for sale from 895,000 pesetas. Brochures, Villas Ferrer, Sanjurjo 22, Denia, Spain.

(Photograph Trevor Kenyon)

Maintenance of a house abroad for people who only spend a short time at their property each year, can be a problem. Owners' Services also run a property management service for the *Costa Blanca*, Almeria, the Balearic Islands and the Algarve in Portugal. For about £1.70 a week their personnel will take on the job of cleaning, laundering and so on, and generally keeping a place up to scratch for both owners and tenants.

Also on the *Costa Blanca*, around Javea, which is along the coast towards Valencia, Sonia and David Reckitt, who used to be with Butterfield and Partners, have just started a regular inspection and maintenance scheme which supplies monthly reports on your house, and car in Spain if you have one. The cost of about £50 a year covers checking such things as the plumbing, bottled gas supply, and organising at the appropriate charge, everything from car hire to baby-sitting and shopping for a *persiana* (sun blind) or spare parts for a Land-Rover. They also organise insurance cover, and the buying, selling and renting of property. Details from the Reckitt's, MG 152, Javea, (Alicante).

SNP will pick own terms to oust Government

BY RAY PERMAN, SCOTTISH CORRESPONDENT, IN MOTHERWELL

TTISH NATIONAL Party s are prepared to vote with er Opposition parties to bring n the Government, but only an issue of their own osing.

hursday night's row in the mmons over the shipbuilding aircraft nationalisation Bill the Conservatives' threat to pairing arrangements with Government have put the 11 P MPs in a new position of ength.

t the opening of the party's nual conference at Motherwell, arkshire, in an unprecedented mood of confidence all talk is of independence. alfway measures," such as the vernment's strengthened devolution proposals, have been entioned only in scorn.

Ir. Gordon Wilson, MP for ndee East, said at yesterday's sion: "What we desperately d in Scotland is a Scottish vernment, and we need an ction for that purpose."

Ie defended the Parliamentary group's decision to vote inst the Government on shipilding nationalisation in lance of telegrams from de shop stewards' committees and an appeal from the general secretary of the Scottish TUC telephoned to the SNP senior vice-chairman asking them to relent.

In "bringing the Government down" the SNP members will choose their ground carefully. They are willing to risk the disfavour of shipyard workers in the West of Scotland by voting with the Tories because they believe nationalisation will mean decision-making being taken away from Scotland, and large-scale closures.

Only an independent Scotland strong with oil revenues could genuinely safeguard jobs, they say.

They will propose their own amendments to the Bill in the Committee Stage, but vote against it on Third Reading. They are prepared to vote with Opposition parties on any matter the Goverment makes into an issue of confidence.

Mr. Wilson added after the conference: "The Government has no majority. It is a lame duck administration and it is accident-prone. If our aim is not only to bring down the Government but to get self-government, then we must choose our own issue."

The SNP is confident that despite opinion poll evidence that the party commands only 30 per cent. support from the Scottish electorate, an election in the near future would give it a majority of the 71 Scottish seats and a mandate to negotiate with Westminster for independence.

The party is sure that independence is an issue on which it can thrive. In his address Mr. William Wolfe, the chairman, said that there were "irrefutable indications" that the Scottish people were looking to the SNP for leadership.

"As polls have shown, half the people now believe that Scotland will be better with independence, compared with only 19 per cent. six years ago. Also, a majority believes that independence is inevitable—that Scotland is set firmly on the road to self-government.

"More and more people want to know what independence means in terms of effect on their lives, their hopes, their communities and on the future of their children."

Dublin and Ulster agreement on stronger border security

BY GILES MERRITT

"live-and-let-live" approach border security operations in aftermath of the recent SAS ntier incursion was hammered out at Ministerial talks Dublin last night.

In response to British assurces that incidents, which led the arrest of eight SAS solers early this month by Irish lice, will not recur, the Dublin vernment is understood to ve agreed to a tightening-up co-operation between the sh Garda and the Royal Ulster nstabulary.

During several hours of talks th Foreign Affairs Minister, Garret Fitzgerald, and stice Minister, Mr. Patrick Cooney, Northern Ireland Secretary, Mr. Merlyn Rees, apparently emphasised the need for improved communications between the two police forces. The setting-up of a police "hot line" or a special radio network has not been ruled out.

Ever since the heavily armed SAS unit was arrested inside the Irish Republic on May 5, British Government sources have stressed that established cross-border communications would have averted the comparatively low-level decision not to return the men and the present embarrassing situation would have been avoided.

By common consent and because the matter is now subjudice, Mr. Rees and the two Irish Cabinet Ministers avoided recrimination over the incursion and Ireland's decision to prosecute the SAS men and concentrated on discussing details of cross-border security.

Although Mr. Rees is staying overnight at the British Embassy in Dublin for talks with the outgoing Ambassador, Sir Arthur Galsworthy, before returning to London, he will not be meeting Irish Premier Mr. Liam Cosgrave. His official contacts with the Dublin Government have been limited to the meeting to-day at the Department of Foreign Affairs, at which he also outlined the current political situation in Ulster.

later unit trusts may change name

By Keith Lewis

CONSIDERATION is being iven to changing the name of Slater Walker unit trusts. This as been prompted by suggestions from professional dvisers that the title is now a egative marketing factor.

The unit trust group consists f 39 authorised trusts with a otal value, including a number f unauthorised offshore funds, f more than £200m. The group as not engaged in active proomotion since Mr. Jim Slater esigned as chairman of the arent company, Slater Walker ecurities, last October. SW as been faced with a steady ickle of investors selling their nits since that time.

The most likely new name or the group would appear to e Britannia, or possibly ational Britannia. This would eflect the incorporation into W of two other major unit rust groups—National Group, ormerly part of Sir Denys owson's empire, and Jessel ritannia, which was owned by essel Securities, now in iquidation.

The rationalisation programme of the unit trusts has ontinued and six of the funds hortly are to be converted into ne. It is hoped to reduce the otal number to about 22 by the nd of this year.

Mr. Jim Nichols, chairman of Direct Spanish Telegraph and director of SW Trust Management, was asked about share rice relative to asset value. Ie said a study had been undertaken on the matter.

Danish line plans new Tyne service

BY OUR SOUTH SHIELDS CORRESPONDENT

ALL-YEAR passenger sailings between the Tyne and Denmark will be introduced in the spring of 1978 by DFDS, the Danish shipping line.

The company now operates a summer service between Newcastle and Esbjerg from May to September each year, using the 8,000-ton car ferry England.

The extension to sailings throughout the year will follow the introduction of a new 14,000-ton car ferry—just ordered in Denmark—on the company's main Harwich-Esbjerg service early in 1978.

DFDS announced yesterday that it had placed a £23m. order for the new ferry with Denmark's Aalborg Shipyard.

This will free the 8,600-ton ferry Winston Churchill to take over on the Tyne with an all-year schedule. The vessel will probably operate three sailings weekly in each direction.

The expansion underlines the promotional cash help being given to DFDS by Tyne and Wear County Council and North Tyneside Council to boost the Scandinavian traffic to and from the Tyne.

"We are delighted there will be passenger sailings throughout the year," Mr. William Atkinson, DFDS director at Newcastle, said. "It's a step in the right direction and I feel we can generate the traffic to make it successful."

Home Office ignored my orders, claims Lyon

BY JUSTIN LONG

MR. ALEX LYON, Labour MP for York, yesterday accused the Home Office of failing to carry out his instructions when he was the department's Minister of State.

As MPs prepared to adjourn for the Whitsun recess until June 7, Mr. Lyon—who was dropped from the Government when Mr. James Callaghan took over as Prime Minister—renewed in the Commons his accusations of inequities for immigrants.

But Dr. Shirley Summerskill, Home Office Under Secretary, said during a debate raised by Mr. Lyon on the treatment of Pakistani immigrants, that the Home Office was concerned to ensure equity and that there was certainly no antipathy to the Pakistani community.

Mr. Jeff Rooker (Lab., Perry Bar) took further opportunity to pour scorn on Sir Harold Wilson's resignation honours list during a series of debates raised by backbenchers.

Speaking about the work of the wages inspectorate, Mr. Rooker claimed that "fat cats of the City and show business" were celebrating their new knighthoods and peerages while thousands of workers were not being paid the statutory minimum wage.

Mr. John Grant, Employment Under-Secretary, said his department was looking at the procedure for prosecuting companies guilty of underpayment to make sure prosecutions took place wherever justified.

Fines under Safety Act 'average £75'

By Donald Maclean

DISQUIET over the "low level" of fines imposed by the courts for breaches of the Health and Safety at Work Act of 1974 was expressed last night by Mr. Harold Walker, Minister for Employment.

The fines averaged "only £75," he told the British Safety Council's annual banquet in London.

"Strong concern has been expressed that the courts have not responded to what were clearly Parliament's intentions—that transgressors—those who expose the health and safety of others to danger—should be appropriately punished.

"Penalties should be a deterrent. Recently, a firm had two tenders to remove asbestos. They accepted the lower, were prosecuted because of dangerously high levels of dust in the atmosphere, paid the fine and still showed a saving on the job of £2,000."

Engineering attack on banks over export

By Our Industrial Staff

AN ATTACK on the banks for failure to support engineering export efforts was made yesterday by the Engineering Industries Association.

"For too long the industry has been bedevilled by the banker and it is time the banks were brought to heel to help share in the risks in which the exporter is constantly involved," said an EIA statement.

"What use are the enormous bank profits to this country when vital export orders are in jeopardy? It must be remembered that the real wealth of the nation comes from the engineering manufacturer, whereas it is the speculator, in particular the property developers, who have received the bulk of money available from banks for many years."

The statement challenges recent pronouncements from the Confederation of British Industry and the Department of Industry about the return of confidence to industry which has shown through in recent surveys.

The wide-ranging association comments criticise the Government for legislation seemingly aimed at damaging the private sector; the CBI for not adequately representing the views of the engineering industry; and the nationalised industries for putting prices up and adding to inflation—particularly the British Steel Corporation.

The association also says that the Export Credit Guarantee Department's guarantees cover only very large sums, and the ceiling for loans should be reduced to a level which would interest the smaller exporter.

The statement sums up: "If we as a nation are to continue to export to survive, then the Government must ensure now and henceforth that (a) They ensure reasonable prices for the raw materials essential to the engineering industry (b) provide power at reasonable rates and (c) Provide more sound and realistic finance for export.

Dividends up 16.5% as May profits fall

Financial Times Reporter

THE 215 companies which produced full reports and accounts during May showed an aggregate decline in pre-tax profits of 4.6 per cent. compared with the previous year, but a rise in dividends of 16.5 per cent.

Individual company profits showed a mixed performance. Some of the larger falls, however, occurred in the capital goods area.

GKN was down 27.4 per cent., Glynwed was 33.5 per cent. lower and Chrysler (U.K.) had an increased deficit of £33m. (160.7 per cent.).

The Shipping sector also reflected its difficulties with P & O's pre-tax profits falling 66.7 per cent., and Ocean Transport's 28.8 per cent.

On the plus side, Cadbury Schweppes did well with an increase in profits of 39.6 per cent., as did Rowntree Mackintosh (a rise of 47.7 per cent.).

Dividend increases usually fell within the maximum allowed under present legislation, but the fund-raising "loophole" enabled British Home Stores to raise the dividend by 46.9 per cent. and allowed a similar increase in Bridon's distribution.

Rowntree Mackintosh was permitted to raise its dividend by 35.5 per cent., as a recovery situation.

Fears of national strike by 700,000 students

FINANCIAL TIMES REPORTER

A WALKOUT by Britain's 700,000 students from the country's universities, polytechnics and colleges seemed nearer yesterday. This followed the Government's rebuff on Thursday to a plea from the National Union of Students for action to stop the threat of student-teacher unemployment.

A special meeting to-morrow of the union's executive in London is expected to include a demand for Britain's 44 universities and 30 polytechnics and other colleges to come out in support of the 30,000 student teachers occupying 93 of their 140 training colleges.

Mr. Frances Beckett, chief spokesman for the 750,000-strong student union, to-day declined to state the proposal likely to be put before the executive.

His only comment was: "There will certainly be a move to call out all our 803 affiliated student unions; I cannot say at this stage whether the move will be successful or not."

Student anger boiled up yesterday at the attitude of Mr. Gerry Fowler, Minister of State for Education and Science, who saw a delegation of the union yesterday, including Mr. Charles Clarke, the president.

Mr. Fowler told them in effect that while the Government had every sympathy with students' fears of unemployment, decisions taken collectively by the Government ruled out the specific measures being urged by the union.

These included an intention to reduce classes to 30 and a commitment to full teacher employment next September.

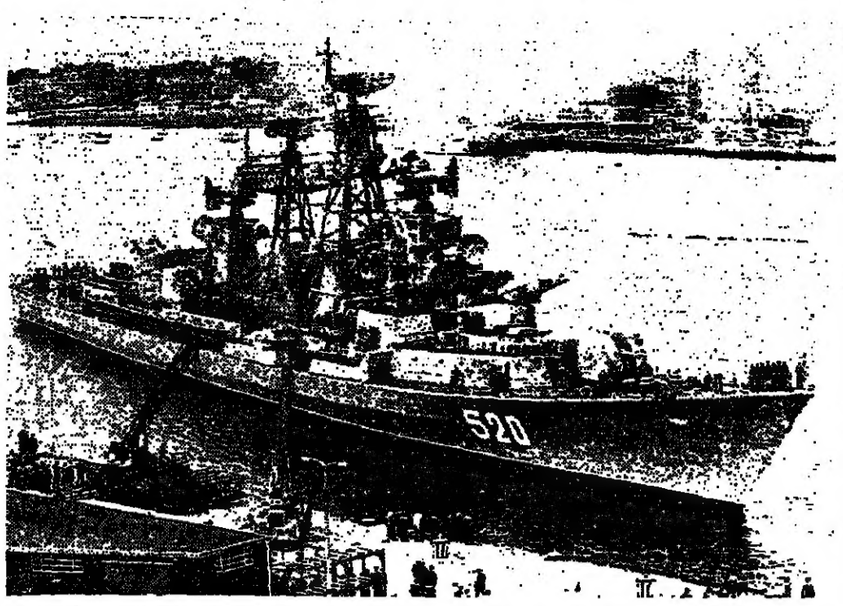
Powell sees emergence of new race climate

BY PETER HENNESSY, LOBBY CORRESPONDENT

MR. ENOCH POWELL, United Ulster Unionist MP for South Down, said last night that the whole climate surrounding the issue of Commonwealth immigration had been changed in recent days.

On Monday, Mr. Powell leaked a confidential Foreign Office report compiled by an Under-Secretary in its Immigration and Visa Department, Mr. Donald Hawley, detailing widespread abuses on the Indian subcontinent affecting illegal immigration into the U.K.

He told a meeting of the Monday Club of Ulster in Portadown: "In the heart of those of us who have watched events for years with deepening foreboding and even despair, this change has aroused a flicker of hope that perhaps at last, at the eleventh hour and beyond it, the nation might address itself to a peril to its very future existence, in comparison with which the severest economic disturbances and even the physical threats of a dangerous outside world fade into insignificance."



Vice-Admiral Vladimir Leonokov said yesterday that the rapid expansion of the Soviet navy was not aggressive in intent but had been undertaken to "defend the peaceful construction of the Soviet people."

He made his remarks at a Press conference aboard the destroyer Obraztsovy (writes David Satter). The destroyer docked yesterday in Portsmouth for a five-day courtesy visit, the first such visit by a Soviet military vessel to this country since 1956. A reciprocal visit to the port of Odessa by the Royal Navy destroyer Devonshire began yesterday.

Vice-Admiral Leonokov said the purpose of the Obraztsovy's visit is to give tangible confirmation to the improvement in relations achieved in Anglo-Soviet talks last February. When asked about large-scale Soviet naval construction, he said such construction has gone on and will continue, but that other countries besides the Soviet Union also have expanded their navies. "We shouldn't lag behind," he said. "The Soviet people should be secure in their peaceful labour." There were demonstrations against the visit.

Plan outlined to ease debts of developing countries

BY MICHAEL BLANDEN

DEVELOPING countries could default substantially on debts as a result of prevailing pressures, but it is vital that this should not lead to a "disastrous chain reaction of default and credit withdrawal," Sir Jeremy Morse, deputy chairman of Lloyds Bank, said yesterday.

Such a domino effect could produce a new and deeper recessionary impulse by bringing an immediate contraction of world trade and capital flows.

It could also "do more permanent damage to the world economy" by destroying a large part of the machinery of international lending, particularly the commercial network of loans to developing countries.

Speaking to an international banking seminar in Deauville on medium and long-term finance in developing countries, Sir Jeremy put forward four courses of action which could be undertaken.

First, debtor countries, whether developed or developing, should not ask for any general moratorium on their debts.

"The majority of developing countries can make their way in the financial markets of the world, and it could simply promote the catastrophe I have described if they were to impair their credit-worthiness by joining in a general rescheduling of debt."

Second, "the official world must recognise, as some of its spokesman already do, that commercial lending to developing countries cannot go on at the same pace as in the last two years."

Banks were constrained both by the high level of exposure already reached and by their impaired capital ratios; and the borrowers needed to lengthen their debt.

Third, "the international banks, as the main channels of commercial lending to the developing countries, must not cut back too fast or indiscriminately, either because they fear defaults abroad or because, as the recovery develops, they can see more attractive uses for funds nearer home."

Finally, "so long as there are dangers of default, there needs to be close and regular consultation between the international agencies and the international banks, either direct or through the mediation of the central banks, to ensure that as far as possible lending is neither wrongly extended nor wrongly denied."

If and when default arises, "the discussion among lenders and borrowers should be conducted in the same open spirit, so that fair settlements may be reached with as little long-term damage as possible to international capital flows."

More covered by Private Patients Plan

By Eric Short

PRIVATE PATIENTS Plan, Britain's second-largest medical insurance agency, yesterday reported 50,000 new members in 1975 despite the massive increases in private medical costs. This brought the total membership to 500,000 and subscription income last year exceeded £10m. for the first time.

Most of the new subscribers joined company group schemes. Despite the pay policy which made the cost of membership part of the pay limit, there were some new company schemes. A third of new group members came from new schemes.

The National Health Service pay-beds controversy has brought out the benefits of private medicine, says PPP. It reported a marked increase so far this year in individual business, about 2,500 new members, after a period of decline in this sector.

N. Sea oil stake by U.S. group

By Ray Dafter, Energy Correspondent

ASHLAND OIL, the Kentucky-based company, has bought a substantial stake in Brae Field, possibly one of the biggest oil finds in the U.K. sector of the North Sea.

It has agreed to buy half of Bow Valley's 28 per cent participation in the field for 15m. Canadian dollars (£8.47m.).

In addition, Ashland will finance Bow Valley's future share of development costs—if the field is declared commercial—and recover the outlay from a portion of Bow Valley's oil production.

Neither company would comment on the possible cost of development, although it is estimated in the industry that the final figure would be over £1bn. No decision has yet been taken on development plans, however, as this will depend on future appraisal work.

The agreement—which also involves a block just north of Brae Field in which Bow has a 35 per cent. stake—depends on appropriate tax rulings and the approval of the necessary Government agencies.

It is assumed that as the deal involves a change in licence membership, which needs Government approval, Bow Valley and Ashland will have to agree to the principle of State participation before the field is developed.

The find has estimated recoverable reserves of 800m. to 1bn. barrels of oil and 2,000-3,000bn. cubic feet of gas.

The third, and most successful of the three wells to date penetrated more than 1,000 feet of oil-bearing sand and was tested at rates as high as 5,563 barrels of oil a day and 9.3m. cubic feet of gas a day.

State spending cuts welcomed by Grimond

By Peter Hennessy

MR. JO GRIMOND claimed yesterday in a letter to Liberal candidates that the curtailment of Government expenditure was not only necessary for the liberty of the individual but might also be a positive boon in preventing the Government from doing injurious things.

The Liberal leader said: "To want more and more of everything regardless of aim or quality is the mark of a barbarian. The Parthenon would not necessarily be improved by being ten times in size."

CINEMAS ARE CONTINUED ON PAGE 10

The Arts

More about Cannes

BY NIGEL ANDREWS

About other superlatives *applicable to this year's Cannes* film festival there may be some argument, but there is no doubt that it was the most overcrowded anyone could remember. At the last count there were some 7,000 visitors staying in a town whose hotel capacity is 5,000. Where the surplus 2,000 came from, and where they put themselves at night, is a mystery. My own belief is that they spent 24 hours a day walking the pavement between the Carlton Hotel and the Palais des Festivals, taking time off before the start of each important film to block the entries into the viewing theatre. Bertolucci's *1900* and Joseph Losey's *Mr. Klein* were only two of the films that accredited journalists were unable to back and push their *way through to.*

To explain the crowds, this year's festival certainly had the dual appeal of exceptionally good weather and an exceptionally good programme of films. Even those films, which did not fulfil high expectations had some redeeming qualities of grandeur or originality; and high on the list of charismatic failures must come Bernardo Bertolucci's eagerly-awaited *1900.*

His appetite for box office successes evidently whetted by *Last Tango In Paris*, Bertolucci has here tried to make a political film which will attract a mass audience. *1900* is a 5½-hour slice of Italian history which chronicles, through the fortunes of a small group of people living in and around a small town in Emilia, the growth of the socialist movement in North Italy during the first half of the century. It is a kind of giant melodrama of ideas; with Marxism the hero, Fascism the villain, and Italy herself the damsel-in-distress for whose favours and allegiance they compete.

The film acts on the simple in my opinion simple-minded, assumption that by translating political ideals directly into character form it renders political debate vivid and intelligible without sacrificing any of its complexity. But the result all too often is characters walking around with labels on their back —"petite bourgeoisie," "landowning class" etc.—while the subtle greys of political reality *are transformed* by Bertolucci into strident blacks and whites.

Gérard Depardieu and Robert de Niro play the two main characters: young men who were both born on the same da y(in 1900) and on the same estate, but who claim neatly antithetical ancestries. De Niro is the grandson of a seemingly unbridgeable gulf caster). Depardieu the grandson of a worker on the latter's farm (Sterling Hayden). We watch the two grow up together and then grow apart, as the various political crises of the period affect their friendship, and after a seemingly unbridgeable gulf has opened up between them with the onset of Fascism (incarnated by a lean and wild-eyed Donald Sutherland, who starts life as a foreman on Lancaster's farm) the two resume their friendship at the end of the war and, in a touching thirty-years-on ending, are seen to have continued it to the ends of their lives.

The seasons change according to the vicissitudes of the story —summer for childhood, winter for Fascism, spring for revolutionary hope—*and the whole is* overlaid with a lush musical score by Ennio Morricone. The result is rather like a Marxist version of *Gone With The Wind*: except that *Bertolucci hasn't produced* a group of characters anything like as memorable as Scarlett O'Hara, Rhett Butler *et al*, and has simplified the ideological *issues to such a degree* that political dialectic becomes merely a head-on clash between equally caricatured forms of extremism. There are some memorable scenes—the death of Lancaster, the peasants' bloodthirsty revenge on Sutherland—but this kind of gift-wrapped radicalism is stretched very thin, not to say transparent, by a running time of 330 minutes.

Italy also gave us Francesco Rosi's *The Context*: another, and much better, attempt to sugar the pill of political didacticism by wrapping it in a traditional and popular film form. The form this time is the thriller, and the story, based on a novel by Leonardo Sciascia, an account of the police investigation that follows upon the murder of a series of distinguished judges.

Dominique Sanda in '1900'

Are the crimes an act of protest from the Left? Are they an act of provocation from the Right? Or are they simply the work of a maniac with a grudge for whom the sight of a legal dignitary is as a red robe to a bull?

Lino Ventura, looking more than ever like a weary, heavyweight dormouse, sets out to *investigate; and as each stone* is turned in the exploration that follows, more of the vermin of political corruption come crawling out. The film's superbly lugubrious *imagery runs the gamut* from putrefaction to petrification—from the decaying skeletons in a catacomb with which the film opens to the mute, mournful statues in a museum with which it ends—and Rosi shows great skill in adapting to the more poetic and imaginary context of this film the reportorial style familiar from *The Mattei Affair* and *Lucky Luciano.*

Films with a political theme certainly clocked up the hours at Cannes. After 7½ hours of Bertolucci and Rosi, patient filmgoers were subjected to another 4½-hour contribution by Marcel Ophuls. "Subjected" is unfair, because the French director's *Memories of Justice* is for the most part wholly riveting. A documentary about war crimes, it is divided into two parts. The first is a collage of excerpts from the Nuremberg trials, interspersed with recent interview comments by the surviving participants (including the indefatigable Albert Speer); the second is a mischievous extension of that trial's implications and conclusions to more recent wars in which the no less culpable participants have gone unpunished.

Many other films in this year's festival cast their eyes back to the past; not in affectionate nostalgia, *but in a kind of puzzled,* unhappy retrospection, the backward glance of a society wondering where in recent decades it has taken the wrong turning and to which *inglorious period of* recent history it is about to return on the ever-revolving wheel of fortune. Henri Jaglom's *Tracks*, starring Dennis Hopper, is about the blues of a soldier returning from Vietnam, and about the weird, anxious cross-section of American society he meets on the train to his home town. *Grey Gardens*, a documentary by the Maysle brothers, is a portrait of Jacqueline Kennedy's batty aunt and cousin living in a squalid tumbledown house in a prosperous suburb of New York: hilarious, but also sad in its picture of the obverse side of an American success story.

Cannes was also sad for the number of celebrated film-makers whose creative flame seems momentarily to be burning low. Miklos Jancso's *Private Vices, Public Virtues* is a dim and demented impromptu on the theme of the Mayerling story: an assortment of princes and princesses cavorting in the nude through a script in which historical authenticity is gradually elbowed out by erotomania. Bergman's *Face to Face* is on first viewing a great disappointment. The film tells the story of a psychiatrist (Liv Ullman) who tries to take her own life after having a nervous breakdown. Unfortunately the reasons for her mental distress are so esoteric, and the irony of her *dilemma*—Physirian, heal thyself—is so overstated that the film forfeits one's involvement long before its 135 minutes have crawled to a close. The film *will no doubt come to London,* where one will have a chance to judge it on a second viewing.

L'Opéra Orange

BY GARRY O'CONNOR

Three engaging young men strumming guitars, adopting in turn sharply contrasting musical personae in true *chansonnier* style, sometimes ironic, sometimes purely nostalgic, may not seem strikingly original. But at the French Institute Thomas Autrey, Vincent Ducourau, and Léon-Marie Lebouc establish such a good rapport between themselves and with their audience, that it forces one to pass aside too close a scrutiny of their Footlights Smoking Concert material.

This comes from such a wealth of sources that they should be stuck on a university circuit forthwith. Sometimes echoes of Jacques Brel, even Georges Brassens, Les Compagnons de la Chanson with their intricate reinforcing harmonies (not always topped by the haunting virtuoso strains of Piaf, as they sometimes were); but *Bob Dylan* country style too, with their Watergate take-off. English roundelay is a strong concession they make to their audience, using the line "How merry, my Fairy Queen"—it emerged more often than not as "How may we, my fanny queen?" Such is the Gallic manner of entuning in the nose "full seemily," like the Wife of Bath.

More recherché, but no less eclectic, was their version of a Provencal song competition (it's that's what it was). All excellent café théâtre stuff, providing the additional amusement to English audiences of seeing how musical parody emerges through the distorting glass of foreign customs and habits. All three performers have pleasing accurate, and versatile voices and their capacity to charm with the obvious is really surprising.

Theatres this week

SOHO POLY—*The Interview* and *Gotcha.* Two one-act pieces that deal with comprehensive education, the first from an educational standpoint, the second from an emotional. Admirably played. Reviewed Monday.

COMEDY—*Dimetos.* Ambitious but empty quasi-tragedy in which even Paul Scofield fails to score. Opened Monday.

WESTMINSTER—*Ride! Ride!* Musical about John Wesley's mission to the East London poor, well-intentioned but somewhat bloodless. Opened Monday.

WEDNESDAY—*Teeth 'n' Smiles.* Helen Mirren fine as a drinking pop singer in a piece about life in a rock group. Very authentic seeming, some excellent scenes but the element of social comment is stressed more than I can bear. Opened Wednesday.

SOHO POLY—*Biker's Knoll.* How it is in an oasis of the world of leather-and-denim motor cyclists. Lunchtime. Opened Wednesday.

MAY FAIR — *What's a nice country like us doing in a state like this?* Some lightweight but pleasant social observations set to serviceable song. The nice country is the U.S. but the nice company is British. Opened Thursday.

CINEMAS—(Cont.)

LEICESTER SQUARE THEATRE (930 5252). ROBIN AND MARIAN (A). Sep. progs. Dly. 2.35, 5.35, 8.35. Seats for 8.35 progs. bkble every day, all progs. bkble. Sats and Sun. Late shows Fri., Sats. 11.45 bkble.

ODEON HAYMARKET (930 2738/2771). CONDUCT UNBECOMING (A). Sep. progs. Wk. 2.00, 5.15, 8.30. Sun. 4.30, 8.30. Late show Fri. and Sat. 11.45. All seats may be booked

ODEON LEICESTER SQUARE (930 6111). A SPECTACULAR EPIC! LEE MARVIN, ROGER MOORE, BARBARA PARKINS SHOUT AT THE DEVIL (A). Sep. progs Wk. 12.40, 4.10, 8.00. Sun. 2.30, 8.00. Late Show Sat. 11.45. All seats may be booked 1 the box office or by post

ODEON MARBLE ARCH (723 2011/2). ONE FLEW OVER THE CUCKOO'S NEST (X). Sep. progs. Wk 12.4 4.15, 8.00 Sun. 4.15, 8.00 Late show Fri., Sat. 11.45. All seats may be booked.

PLAZA 1 & 2, Regent St., S.W.1. 839 5454. Sep. perfs. All seats bookable for eve. perfs. Box Office 11 a.m to 7 p.m. (not Suns.). No phone bookings

1. THE SLIPPER AND THE ROSE (U). Progs. Daily 2.00, 5.00, 8.00 Late Show Sat. 11.15 p.m.

2. MAHOGANY (AA). Daily 2.15, 4.20, 6.35, 8.50. Late Show Sat. 11.15 p.m.

PRINCE CHARLES, Leic. Sq. 437 8181. 2nd Year. The one and only original EMMANUELLE (X). Sep. Perfs. Daily (inc. Sun.) 2.45, 5.15, 8.00. Late Show Fri. and Sat. 11.45. Seats Bkble

RITZ, Leicester Square. 437 1234. GONE WITH THE WIND (A). Sep. Perfs. Daily 2.30 7.00. Late show Sat. 11.15 p.m.

SCENE 1, 2, 3, 4. Lsc. Sq. (Wardour St.) 439 4470.

SCENE 1. Cont. Perfs. Daily 12.30. Late show Fri. & Sat. 11.55. Redford/Hoffman ALL THE PRESIDENT'S MEN (AA). Progs. 12.30, 2.55, 5.55, 8.55. Late show Fri and Sat. 11.55.

SCENE 2. Cont. Perfs. Daily 1.00. Late Show Fri. and Sat. 11.30. Al Pacino DOG DAY AFTERNOON (X). Progs. 1.00, 3.35, 6.15, 8.50. Late show Fri. & Sat. 11.35.

SCENE 3. Cont. Perfs. Daily 12.30. Late Show Fri. & Sat. 11.05. Charles Bronson THE STREETFIGHTER (AA). 2.15, 5.45, 9.20. BLAZING SADDLES (AA). 12.30 4.00, 7.35. Late show Fri. & Sat. 11.05

SCENE 4. Cont. Perfs. Daily 12.55. Late Show Fri. and Sat. 11.50. JAWS (A). Progs. 12.55, 3.35, 6.20, 9.05. Late show Fri. and Sat. 11.50.

WARNER WEST END Leicester Square Tel. 439 0791

1. TRIAL BY COMBAT (A) Sep. progs. 2.40, 4.35, 6.30, 8.30.

2. REDFORD/HOFFMAN ALL THE PRESIDENT'S MEN (AA) Sep progs 2.05, 5.05, 8.05. Late show Fri. and Sat. 11.00

3. BARRY LYNDON (A) a film by STANLEY KUBRICK, starring RYAN O'NEAL, MARISA BERENSON. Sep progs 2.30, 7.20. Late show Sat 11.00 p.m.

4. THE SWISS CONSPIRACY (A) Sep progs. 2.30, 4.30, 6.30, 8.30. Late show Sat 11.00 p.m.

ART GALLERIES

COLNAGHI'S, 14, Old Bond St., W1. 01-491 7408. ITALIAN PAINTINGS, 1550-1780. Until 2 July. Mon.-Fri. 9.30-5 Sats. 10-1.

PARKIN GALLERY, 11 Motcomb Street S.W.1. 235 8144. ANN SHRAGER Recent Paintings.

MARJORIE PARR GALLERY, 285 Kings Road, Chelsea, SW3. JOHN PIPER Paintings, Graphics and Ceramics. Until June 19th. Open all day Sat. Closed Mon.

REDFERN GALLERY, PATRICK PROCTOR New Works. Paintings on Enamel. Watercolours, Aquatint Suite. The Rime of the Ancient Mariner, 4 May-4 June. 20, Cork Street, London, W1.

" ACADEMY OF ARTS. SUMMER EXHIBITION Weekdays 10-6, Suns 2-6. Adm. 60p (Mons. 30p). A MICHEL-ANGELO AND OTHER TREASURES IN THE PRIVATE ROOMS. Except. Tuesdays. Adm. 50p.

AGNEW GALLERIES, 43 Old Bond Street, W1. 01-629 6176. MASTER PAINTINGS until 18 June. Mon.-Fri 9.30-5.30 Thurs. until 7.

OMELL GALLERIES, 40 Albemarle Street Piccadilly, W.1. JOAN BENTHAM-DINSDALE Exhibition of Marine Paintings and Drawings. May 18 to June 18. Illstd. Catalogue £1.

LEFEVRE GALLERY: L. S. LOWRY, R.A. —A Memorial Exhibition. Weekdays 10-5. Saturdays 10-1. At 30 Bruton Street, London, W.1. 01-493 1572/3.

STANLEY W. HAYTER—recent prints May 11-June 5. Warwick Gallery, 15 Smith St., Warwick. Tue. 14 Sun 0926-46880.

BEDFORD HOUSE STUDIO, LILLO MES-SINA PAINTINGS, 105, Kensington Church Street, W8. 01-229 8156. Tues.-Fri. 10-1, 2-6, Sat. 10-1.

EXHIBITIONS

COMMONWEALTH INSTITUTE, Ken. High Street, W.8. BOOKS & CALLIGRAPHY FROM IRAN. Until 2 June Wdys. 10-5.30. Suns. 2.30-6. Adm. free.

CLUBS

EVE, 189 Regent St. 734 0557. A la carte or All-in Menu, Three Spectacular Floor Shows 10.45, 12.45, 1.45 and music of Johnny Hawkesworth and Friends.

Collecting

The inky way

THERE MUST be whole generations now who don't remember steel pen nibs or the disgustingly messy games with which blotting paper and ink pots enlivened school days before the ball-point era; so that inkstands of every kind have acquired the magic of the archaic. A couple of weeks ago a lady with a large and varied collection of sophisticated inkstands appealed for help in finding a rarity—a common school inkwell of the kind that was used and smashed and splattered by the million for a hundred years or more.

The school inkwell was the end of a long history. Through mediaeval times the ordinary *container for ink was a horn.* More elaborate stands (or standishes as they were called) only seem to have appeared with Elizabethan times, as the well-to-do came round to thinking that to write and read for yourself, rather than employing scribes and clerks to do it for you, was not after all so demeaning.

Certainly the earliest inkstands proper seem to date from the first years of the seventeenth century. In 1620 the Countess of Oxford presented James I with a standish in gold; and a few specimens have survived from Jacobean times. They might take the form of a cruet, a tray or a box, and some are known to have incorporated *built-in candle-sticks. The ink* pot—often with extra holes around the edge to hold spare quills—would be accompanied by a "pounce-pot."

"Pounce" originally meant perforated; but it quickly came to refer to the powder contained in the pot, instead of to the pot itself. Pounce, prepared either from cuttlefish or from gum sandarach was used, not, as is sometimes supposed, for blotting purposes, but as an abrasive to smooth the surface of the highly absorbent paper of the time.

Other accessories on the instand would include a little box to hold sealing wafers (prepared from baked flour and water) and a container for the fine lead shot in which the quill was rubbed to free it from the deposits left by the ink—an *alchemical potion compounded* of galls, copperas and gum arabic, with sinister additives like Roman vitriol and rape vinegar.

One of the finest early silver inkstands to come on the market, made in London in the mid-*seventeenth century by the* great Dutch silversmith Christian Van Vianen (1598-1666), was sold last year at Christie's for the impressive price of 78,000 guineas.

The 18th and 19th centuries saw ingenious refinements. In the 1790s there was a short-lived fashion for inkstands disguised as small library globes. Aspreys have in current stock an elegant silver-gilt apparatus dating from 1825; when the crown surmounting a short 5 inch column is turned, a plunger is depressed to regulate the amount of ink transferred from a hidden reservoir to the dip-pot on the side. This attractive little rarity would cost you £1,200.

A rare George IV silver gilt ink dispenser, made by Archibald Douglas, 1825.

In an age of rising democracy, inkstands were made in more modest materials, like pewter and earthenware. The Leeds Pottery catalogue of the late 18th century lists inkstands on which the pounce pot has been replaced by the sand pot. Improvements in paper manufacture meant that the problem for writers was no longer the blotting paper-like absorbency of writing paper, but the need to dry up surplus ink from the hard, impervious surface. Until the general use of blotting *paper this was effected by* sprinkling a fine brown sand.

Josiah Wedgwood's inkstands were famous. His scientific knowledge enabled him to construct them upon true principles.

By means of a small opening *in the ink-cistern, stopped with* an air-tight plug and a conical tube connecting at the bottom of the cistern, he prevented the ink from coming into deteriorating contact with the atmosphere." Years later no less an authority than Mr. Gladstone praised the "great care which had been bestowed upon the mechanical arrangement with a view to the preservation of the pen, and the economical and cleanly use of the ink. The prices are stated at from sixpence to eight shillings according to size and finish."

Last May Christie's *sold for* 1,100 guineas a fine basaltes Wedgwood and Bentley basaltes inkstand, with an hour-glass shaped tray to hold ink pot and sand pot, and a spill-vase incorporated in the handle.

These are the aristocrats among standishes; as are the monumental silver creations of the Victorians. At the 1851 Great Exhibition Aspreys showed a silver inkstand whose tray was surmounted by a large and rare bloodstone, while two naiads with trumpets flanked the pot. Joseph Mayer of Liverpool exhibited a massive stand "with representations of the commercial importance of Liverpool. The ink bottles are formed as the lotus and the cotton plant."

Without moving into this class, the small collector can still find endless scope among the humbler produce of the Victorians: ornamental affairs in *pottery marble or alabaster* or Derbyshire slate; or novelties like the somewhat brutal Staffordshire and stoneware inkwells in the form of upturned faces into whose mouths the pen is jabbed.

JANET MARSH

OVERSEAS NEWS

Sharp rise in major U.S. economic indicators

BY DAVID BELL — WASHINGTON, May 28.

HE U.S. index of leading indi-ators, the set of statistics esigned to project future trends t the nation's economy, rose arply last month

In March preliminary figures ad indicated a puzzling fall in ne index, but the Commerce epartment said to-day that in ne light of more complete data ne 0.4 per cent. fall in the ndex had been revised into a .9 per cent. rise—much more n tune with other economic ndicators.

Last month the index, which roups 12 key indices, rose by .1 per cent. which is the second iggest increase in the past nine nonths although once again the epartment cautioned that it is rill a preliminary figure. This nonth's index omits the figure or the average working week ecause it was distorted by the aster holiday and it also contains no figures for inventories, s these are not yet available.

It was the inventory figure which caused the major revision of the March index and the Department said to-day it was a sign that businessmen were expecting consumers to go on buying at a strong rate and are stocking up in anticipation of this. However, the latest surveys of consumer confidence do not tell quite the same story, with consumers apparently distrusting the current upturn. Retail sales have been less buoyant than expected in the past two months although they may pick up again soon and a New York Times-CBS poll this morning shows that more than two-thirds of the electorate are still "dissatisfied" with the performance of the economy.

Even though the index has been rising steadily for the past nine months it is still standing well below the peak that was reached in June, 1973, the month before the first fall gave an early signal of the approaching recession. It now stands at 107.8 compared with 126.6 for June, 1973.

Once again the index appears to be showing that although the economy is in much better condition than a year ago there is still little sign of a significant increase in spending on new capital equipment, which continues to be one of the indicators that shows no improvement. Similarly the building permit index remains sluggish, suggesting that the construction industry still has to shake off the effects of the recession and that it too may not be entirely confident about the future.

Of the statistics available for the April index there were improvements in vendor performance, net business formations, stock prices, changes in sensitive prices, money balance in 1967, dollars and change in total liquid assets. The falls were in the layoff rate, new orders in 1967 dollars, contracts and orders for new plant and equipment and building permits.

VW chooses Pennsylvania site

BY JAY PALMER — NEW YORK, May 28.

OLKSWAGEN to-night announ-ed that it had finally decided on disused Chrysler facility in New tanton, Pennsylvania as its first hoice for the location of its lanned U.S. car assembly plant.

In a very brief statement, the e West German car company ed however that if remain-egotiations to secure this an into any difficulties, it l still be very interested in g over an abandoned tank in Brook Park, Ohio.

e last month VW formally ed, after years of off-again, ain consideration, to go with its plans to invest een $150m. and $200m. in S. plant to assemble over 00 vehicles a year.

e company has indicated the plant, which will build the VW Rabbit, will initially employ 2,000 workers and ultimately have a work force of over 5,000.

When a fully going concern, VW's operation will be by far and away the largest commitment to the U.S. car market by any foreign manufacturer. The company, which used to be the largest importer of vehicles into this country, has recently lost ground and now stands number two to Toyota.

In its search for a U.S. assembly site, local VW executives have disclosed that the company at one time or another considered 13 possible locations. Earlier this week one option in Columbus, Ohio, was formally ruled out narrowing the choice to New Stanton and Brook Park.

Despite the company's apparently near-final decision on New Stanton, it is clear that some obstacles still remain. One disadvantage to the site is that it lacks a railway spur and the company's hint that Brook Park remains an alternative is clearly aimed at speeding up Pennsylvania State officials' promises to build one. Brook Park by comparison would have required extensive and costly renovation.

VW has indicated in previous statements that it hopes to have the whole matter signed, sealed and wrapped up by late June. It now remains to be seen whether Ohio officials are desperate enough to come up with a package, perhaps involving state loans and tax breaks, that could cause a change in decision.

ndia promised $1.1bn. in aid

Y ROBERT MAUTHNER — PARIS, May 28.

13 members of the Aid India ortium, who have been meet-here under the auspices of World Bank, to-day pledged bn. in bilateral aid to India the fiscal year beginning in , after noting the very satis-ory progress made by the ian economy.

his sum, however, covers only iteral commitments. The total which India will receive in 6 to 1977, including World k and United Nations contri-ions, will amount to $1.8bn., ghtly more than in the pre-ous year.

Moreover, the conditions under ich aid will be granted have nificantly improved. West rmany has now agreed to cept the 50 years' repayment ons of the International velopment Agency (IDA), the ft-loan arm of the World Bank, hile Sweden has joined Britain, enmark and Norway in making l its aid available in the form grants.

The members of the con-ortium, which include the prin-pal Western industrialised countries, also agree to continue for one year the debt relief which they have granted for the past five to six years and which will total some $200m. in fiscal 1976.

The political situation in India was reportedly not mentioned during the meeting and members based their commitments entirely on the economic situation in India which, according to Mr. Ernest Stern, Vice President of the South Asian Department of the World Bank, elicited highly favourable comments.

The Indian economy was doing particularly well, he stressed. This was partly due to record levels of agricultural production —the grain harvest is expected to reach about 115m. tonnes in 1976, compared with 101m. tonnes the previous year—but also, to a very large extent to highly successful policy measures.

Inflation had been brought under control, export volume had increased by 8 per cent. and export earnings by 5 per cent. in an environment of declining world trade, power shortages have been largely overcome and the output of most public sector enterprises, particularly coal, steel and fertilisers, had substan-

These factors, according to a statement issued by the World Bank after the meeting, had contributed to a relatively comfortable foreign exchange position for the first time in many years, with reserves equal to about 4½ months' of imports. Grain reserves, which now stood at 11m. tonnes, were also adequate to help India to survive a year of bad weather.

The Bangladesh aid group, for its part, also made commitments which will allow the $1.1bn. target for 1976 to 1977, set by the World Bank, to be met. Though the member countries' view of the Bangladesh economy was less euphoric than that of the Indian economy, they expressed their satisfaction with its recent performance and welcomed the policy measures taken by the Government to stimulate economy growth.

Sri Lanka tea planters payment

SRI LANKA will pay Rs.82.5m. (£5.5m.) in compensation to British companies whose tea, rubber and coconut plantations here were nationalised last October, Reuter reports from Colombo.

Agriculture and Lands Minister Hector Kobbekaduwa told the State assembly that the compensation would be paid in rupees over five years beginning in March next year. He said that the agreement signed on Wednesday between the planning ministry and sterling plantation companies covered 125,000 acres owned by 55 companies. The average price per acre of Rs.663 (£42.50) included factory buildings and equipment, he said.

Nuclear pact signed

The United States and the Soviet Union yesterday signed a treaty limiting the size of peaceful nuclear tests. The agreement was hailed in both capitals as an important new step in the field of arms control, Reuter reports. The treaty limits the size of any single underground nuclear test to 150 kilotons.

Rhodesian toll

Guerilla actions in the past 24 hours have claimed the lives of 12 persons—eight nationalist insurgents and four black civilians, a security forces communique said yesterday, UPI reports from Salisbury.

FDP conference

The Free Democrats, junior partner in the West German coalition government, meet in Freiburg this weekend to give their formal approval for the continuation of the eight-year-old partnership with the Social Democrats after this year's Bundestag elections, writes Adrian Dicks in Bonn.

Trinidad dollar

The Trinidad and Tobago Government has announced that the Trinidad dollar will be pegged to the U.S. dollar starting immediately, AP-DJ reports from Port of Spain. Prime Minister Eric Williams said the exchange rate would be $T2.40 to $U.S.1

Oil investment

The president of Venezuela's new state oil company—which ranks among the 10 largest petroleum concerns in the world—revealed that the government this year will invest over $465m. in its recently-nationalised oil industry, Joe Mann reports from Caracas. General Rafael Alfonzo Ravard, head of the state oil monopoly called Petroven, indicated that most of these expenditures would be applied to exploration and production activities.

French car imports

Importers' share of new car registrations in France was 21.24 per cent. in March against 21.93 per cent. in February and 21.06 per cent. in March 1975, the French car importers committee said. Reuter reports from Paris. This brought their share for the first quarter of 1976 to 20.72 per cent. (18.6 per cent. in 1975), it added.

Ankara talks

West German Chancellor Helmut Schmidt met Turkish leaders yesterday for talks on increased economic co-operation between the two countries. Turkish Foreign Ministry officials said Turkish leaders had also asked Schmidt for increased military aid, UPI reports from Ankara.

Syria 'renewed UN mandate to build up rejection front'

BY IHSAN HIJAZI — BEIRUT, May 28.

THE WORD has been spread by responsible Syrian sources that the Government's decision yesterday to extend the mandate of U.N. forces in the Golan Heights for six more months was to give Damascus more time to bolster the eastern front against Israel.

[Our UN correspondent writes: A six-month extension, until November 30, of the mandate was approved by the Security Council to-day. In its resolution, the council expressed concern over "the prevailing state of tension in the area" and called on Israel and Syria to implement immediately measures leading to a peace settlement.]

The information carried to-day in several Lebanese newspapers with close connections with Damascus, was that the leadership of the ruling Baath Party under President Hafez al Assad had laid down a plan for the creation of a wide Arab "rejection front" to oppose "defeatist solutions" to the Arab-Israeli conflict.

The plan was said to be Syria's response to proposals made by Libya and Iraq to put such a front together. The idea was considered seriously during the visit to Damascus and Baghdad earlier this month by the Libyan Premier, Major Abdel Salam Jalloud. Under the reported Syrian scheme, the front would include Syria, Iraq, Libya, Algeria, Jordan and the Palestinian guerilla movement.

However, it is being asked why, if the plan is genuine, it has not been officially announced in Damascus. Left-wing quarters here opposed to the Syrian regime expressed the view that the scheme was floated in order to cover up Syria's unconditional agreement to the extension of the U.N. mandate.

The plan, as outlined, is that each member-State would commit a large number of its forces in Syria's northern front or Jordan's eastern front and would at the same time allocate a considerable part of its budget for the confrontation.

In return, according to the same report, Syria will renounce security resolution 338 (it never formally accepted No. 242) for a political settlement with Israel.

Left-wing daily As Safir said the Baath party leadership in Damascus has insisted that the Sinai agreement between Egypt and Israel must be discussed if Syria is to take part in the conference by Syrian, Egyptian, Saudi and Kuwaiti premiers as proposed by the two latter states. Cairo's reported refusal to discuss the matter led to the indefinite postponement of the conference which was to have been held in Riyadh ten days ago.

As Safir expects instead that President Al Assad will attend a summit meeting in mid-June with the heads of state of Libya, Algeria and Iraq.

Observers noted that the news about moves to set up a rejection front coincided with the forthcoming visit to Syria and Iraq by Soviet Premier Alexei Kosygin. He is due in Bashdad tomorrow. Mr Kosygin will go to Damascus at the end of his visit to Iraq which is expected to last five days.

Italian Communists aim to prove their acceptability

BY ANTHONY ROBINSON — ROME, May 28.

THE main aim behind the Italian Communist Party's proposal for a broadly-based emergency government which would include the Communist Party after the elections is to abolish the principle that the PCI cannot be considered as a potential government party in Italy. This emerged from a Press conference at the foreign Press club here to-day when Sig. Berlinguer, the Communist leader, said that the political situation in Italy will change radically if the principle of automatic exclusion of the PCI is abolished.

He made clear that he personally had no ambition to be Prime Minister but the party had included in its list men with administrative experience at a local and regional level who would be available to take up ministerial posts.

At this stage however it is clear that all forecasts about future government formula are purely hypothetical. The type of government which eventually emerges will depend on the relative balance of forces after the elections and the negotiations which then take place on this basis between the parties themselves. These negotiations are likely to be protracted.

Sig. Berlinguer said that the left wing advance at the regional elections last year had already obliged the Christian Democrat party to try and renew itself. But this attempt had been blocked by the decision to hold early elections and the results could be seen in the choice of old style party bosses Antonio Gava as leader of the CD list in Naples and Sig. Giulio Andreotti in Rome: leadership of the Rome list was earlier expected to go to Sig. Gaetano Stammati, Finance Minister and former president of the Banca Commerciale Italiana whose relegation is alleged here to be due in large part to Vatican disapproval of a man suspected to be a member of the masonry. Sig. Berlinguer also attacked Sig Amintore Fanfani, recently elected president of the CD party, who in a speech yesterday at Grosseto north of Rome said that one of the greatest mistakes of the CD party had been that of allowing too much freedom to the Communist Party.

But Sig. Berlinguer also faced cross-questioning as to the internal democracy of the PCI and the system of "democratic centralism."

Iran may barter crude for French technology

BY RUPERT CORNWELL — PARIS, May 28.

FRANCE is studying a proposal whereby Iran would directly sell is crude oil in return for de-veries of industrial equipment Tehran will import for its am-itious development programme.

The offer, made by Iranian Premier Mr. Amir Abbas Hoveida during his current offi-ial visit to France, has so far rawn a cautious reaction from he Government here.

The Industry Ministry merely oted that it was considering he idea.

The scheme is analagous to ne involving the U.S. that has lready been floated, and un-oubtedly reflects the recent ifficulties encountered by Iran in selling its oil on world markets, particularly its heavy crude.

One big drawback, however, is the problem of the price to be paid for the oil under what would probably be a long-term contract. Similar factors led France, after initial enthusiasm, to call off several such proposed deals with OPEC countries in the aftermath of the 1973-74 energy upheaval—on the grounds that the international oil companies could supply her more cheaply.

At a lunch to-day, Mr. Hoveida said that Iran planned to install 20 nuclear power stations with a total capacity of 23,000 MW over the next 20 years. He emphasised that Tehran wanted a reprocessing plant as well, but pledged that his country sought "the atom for peace, not for war."

Lockheed examines forecasts

NEW YORK, May 28.

LOCKHEED Aircraft Corporation said its 24 lending banks have asked it to assess what impact, if any, a Canadian withdrawal or delay concerning that country's contract for Lockheed's P.3 Orion aircraft may have on the business forecast the company submitted in connection with its new financial restructuring programme.

This is one of the reasons for the delay in the expected announcement this week of the agreement on the last two phases of the company's financing and recapitalisation plan.

Lockheed said it is in the process of providing the banks with that information, "which essentially will show that we do not foresee any disruptive effect on on our financial forecasts that had been previously presented to the banks."

Efforts are continuing, in the meantime Lockheed said, to put together a mutually acceptable proposal that would enable Canada to proceed with procurement of the P.3. Orion to fill its long-range patrol requirements.

AP-DJ

INTERNATIONAL COMPANY NEWS

Group 'set to win nuclear order'

BY MICHAEL VAN OS — THE HAGUE, May 28.

THE U.S./Dutch/Swiss industrial consortium, one of several international consortia negotiating to obtain South Africa's order for the country's first nuclear power plant, currently has distinctly the best chances.

This emerged at a Press conference here to-night after the weekly Dutch cabinet meeting. Premier Joop den Uyl, who would not discuss the Cabinet's current problems over the possible South African order, pointed out that the consortium in question was the so-called preferred tenderer, "and there is only one of them." This statement appears to refute reports that the General Electric/BSV/Brown-Boveri consortium did not have better chances in the race than the other participants. The Dutch Premier admitted that the South African award to a consortium including American and Dutch companies would be "politically attractive to that country."

He said that Dr. Petie Kooymans, State Secretary at the Dutch Foreign Ministry, would be travelling to Washington on Monday to sound out the U.S. position on the South African nuclear order, for which General Electric was the main contractor. As the Dutch Cabinet has shelved the final decision on a state credit guarantee for the order, on which the Cabinet is still deeply split until after State Secretary's return.

Standstill at Brown Boveri

BY JOHN WICKS — ZURICH, May 28

THE BROWN Boveri engineering group expects no major alteration upwards or downwards this year in its consolidated turnover and cash-flow, according to president Franz Luterbacher. Last year, group turnover had risen 13.3 per cent. to Sw.Frs.7.7bn. while group cash-flow improved by 5 per cent. to Sw.Frs.504m. despite losses sustained by the French affiliate Cie. Electro-Mecanique and the subsidiary company Brown Boveri de Espana.

New order volume in 1976, said Luterbacher, would probably be rather below that for last year. This, however, had been at a high level, having risen 20 per cent. over the 1974 figure to Sw.Frs.10.9bn. The sharp increase last year was due partly to a rise of as much as 55 per cent. in orders received by the German company Brown Boveri of Mannheim, though Luterbacher stressed that this large order volume included considerable amounts of work to be passed on to sub-contractors.

In a breakdown published by Brown Boveri for the first time, group sales are shown to have reached Sw.Fr.1.6bn. for equipment for power generation of Frs.31m. for the year, despite equipment, Sw.Fr.1.58bn. for industrial and transport equipment, Sw.Fr.1.5bn. for power conversion, transmission and distribution equipment, Sw. Fr.1.37bn. for so-called standard products (that is serial products), Sw.Fr.818.3m. for electronics and measurement and control equipment and Sw. Fr.841.5m. for miscellaneous products and services.

Among the major group companies, the parent undertaking increased turnover by 20.9 per cent. to Sw.Fr.1.76bn. (1.45bn). due mainly to a rise in exports to Sw.Fr.1.4bn., or some 80 per cent. of sales. Of the parent company's total order volume, down 6 per cent. on 1974 to Sw.Fr.2.06bn., almost one-quarter was accounted for by orders from OPEC countries Net profits rose slightly to Sw.Fr.35.1m. (34.3m.), on which the board recommends distribution of an unchanged 10 per cent. dividend.

For the Mannheim subsidiary, turnover was up 15 per cent. to DM3.33bn., the 55 per cent. growth in orders received bringing the consolidated new order volume up to as much as DM5.23bn.

The French affiliate, Cie. Electro-Mecanique, booked a loss of Frs.31m. for the year, despite a rise in consolidated turnover of 5.3 per cent. to Frs.1.79bn. The loss is attributed to a sharp fall in sales of standard products, continuing inflation and delays in adjusting staffing to the altered market situation. Consolidated new orders were 4 per cent. lower at Frs.2.54bn.

For the British company Brown Boveri Kent the group expects consolidated turnover for the year ended March 31, 1976, of some £58m., or some 20 per cent. more than for the previous financial period, while new orders will have been at about the same levels as in 1974-75. The rise in turnover is due primarily to inflation, although Kent's profitability is said to have improved during the course of the financial year. Attempts to improve productivity and particularly to reduce delivery dates have proved "encouraging."

For the whole Brown Boveri group, investments were up 22 per cent. in 1975 to Sw.Frs.448m.,

Suez sells to Peugeot

PARIS, May 28.

CIE FINANCIÈRE de Suez has sold its 10.9 per cent. participation in Engrenages et Reducteurs SA to the Peugeot group, Peugeot SA said.

Peugeot bought 18,345 Engrenages et Reducteurs shares at Frs.300 each, raising its stake to 61.50 per cent., including the 50.61 per cent. previously held by Citroen SA.

Engrenages et Reducteurs, which manufactures gear boxes, will become a direct Peugeot subsidiary.

Reuter

Turnround for Asahi

TOKYO, May 28.

ASAHI CHEMICAL after-tax profits were Y3.04bn. for the year ended March 31 against Y8.32bn. previously. Gross sales were Y457.8bn. (439.2bn.) and the dividend is cut to Y5 (6.75).

However, vice-president Makoto Muramoto said that his company will be able to report net profit of Y2.5bn. on sales of Y250bn. for the first half ending September 30, compared to Y1.38bn. and Y215.5bn. respectively, for the same term last year.

Muramoto said that net profit for the second half will be larger than for the first, in view of a steady recovery in the domestic textile market. Sales for the second half are estimated at Y258bn.

Muramoto said that the company plans to retain the Y5 dividend for the current year.

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SATURDAY, MAY 29, 1976

Time for some action

THE sterling exchange rate has continued to sink this week and has taken both gilt-edged and equity prices down with it. There are a variety of possible explanations for this further collapse. Short-term interest rates are rising in the U.S.: the U.S. Treasury bill rate this week was the highest for six months, the banks are raising their prime lending rates, and probably the only reason why our own Minimum Lending Rate was not raised yesterday was a fear that it would be interpreted as a sign of weakness and react perversely on sterling. At the same time, the Government has admitted that the fall in sterling that has already taken place will delay the achievement of its inflation targets and the National Institute has forecast that prices will be 14½ per cent. up on the year at end-1976 and another 8½ per cent. up at end-1977. This rate, as the National Institute mildly remarks, is too high.

More serious for the future is the news that both local authorities and central Government are not succeeding in cutting expenditure back to the agreed levels. Local authorities seem to have spent more than originally estimated last year and so started from a higher base than expected: it looks as if their expenditure this year may be 3-4 per cent. higher in real terms than agreed, and local authority representatives have undertaken this week to make further efforts to get their spending under control.

Overspending

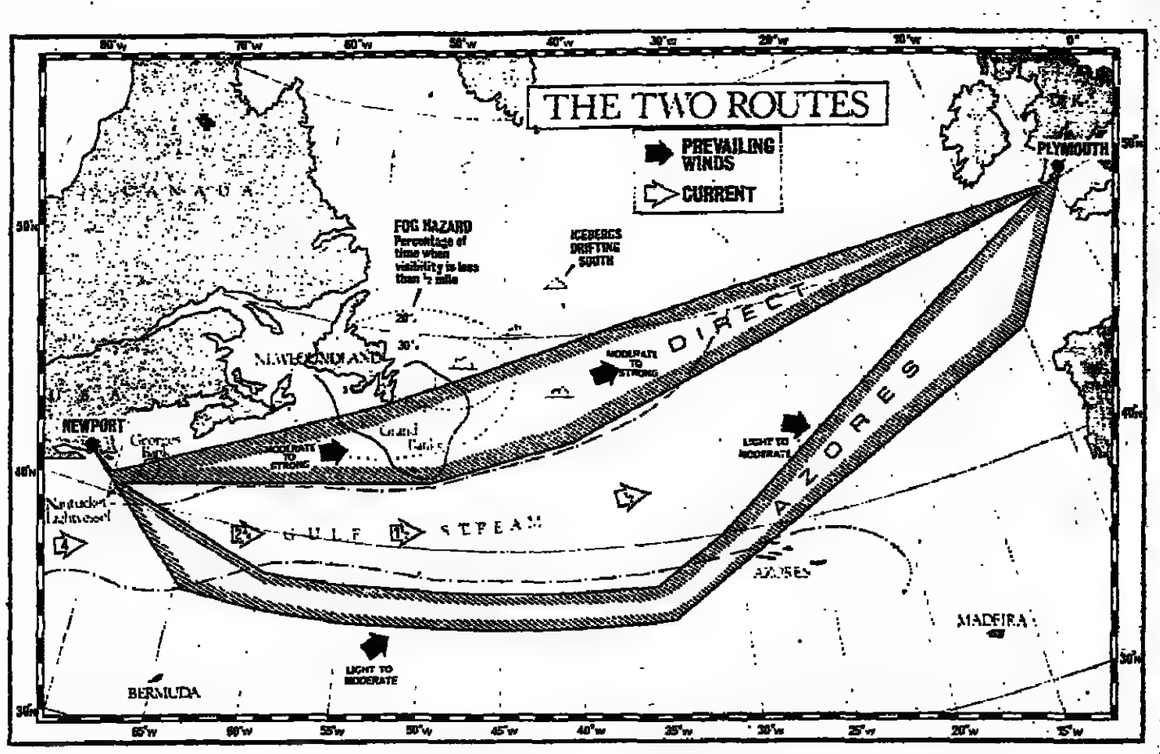
But the central Government itself is also overspending, to the extent that the whole of a large contingency fund is *already committed with less than* two months of the financial year gone. Drastic action will clearly have to be taken to bring spending back on to course, and the arguments are now stronger than ever for planning actual cuts and not merely the curtailment of growth. Since cutting is a longer and more difficult process than Ministers imagined, it is absurd to argue that it will be undertaken smoothly and efficiently as private sector demand begins to rise. Private demand is rising now, especially export demand and stockbuilding: the latest figures *suggest that unemployment has* levelled out rather than begun to fall, but unemployment is normally high in the first stages of a business recovery.

The original case for making cuts in public expenditure was simply that a public sector deficit of the size envisaged in the Budget was inappropriate at a time when the economy was moving out of recession. The policy of wage restraint on which the Government has expended so much effort may well be approved by the TUC *special congress next month, but* the proof of its efficacy or failure will become available only in the months that follow. The size of the public sector deficit makes failure considerably more likely.

Cutting deficit

It is recognition of this fact, more than anything else, which has worn away foreign confidence in sterling to the point where almost anything is liable to push the rate down sharply. At one time the Government *seemed not to care very much* about this drop: a cheaper pound would make U.K. exports more competitive, and export orders have indeed boomed. But export orders are of little value unless the productive capacity is there to meet them, and the U.K. economy has a way of running into supply bottlenecks much earlier in the trade cycle *than expected. At the same* time, the rapid fall in the exchange rate at a time when various raw material prices are in any case rising with the level of world business activity is making essential as well as less essential imports more expensive and rendering the task of bringing down the rate of inflation more difficult.

The Government therefore, now cares very much about the exchange rate but seems unable to check its decline. The most effective way is to do what ought to have been done earlier and what the International Monetary Fund would demand as the condition of any further loan—to cut public expenditure and the size of the public deficit. If this were done, and if at the same time the Chancellor were to lay down much more clearly than in his Budget speech a maximum permissible rate of growth for the money supply, the rot could be stopped. The sooner it is stopped, the better for all of us.



Freddie Mansfield

F.T. in action with the author at the helm.

A one-handed Atlantic gamble

Next Saturday is the start of the Observer Singlehanded Transatlantic race. About 140 sailors will set off alone from Plymouth for Newport, Rhode Island. One of them—this newspaper's News Editor—David Palmer—reports.

IT IS just 16 years since the first singlehanded transatlantic race. That race started off as a half crown bet between Francis Chichester, then a little-known map publisher, *and Lt.-Col. Blondie* Hasler, a survivor of the "Cockleshell Hero" raid during the last war. There were five starters, and one of those arrived at the start several days late. Chichester won it in just over 40 days.

The Observer Singlehanded Transatlantic Race, known in yachting circles as the OSTAR, is to-day one of the world's classic yacht races. The challenge presented by a race alone across the Atlantic will this year bring about 140 boats to the starting line. Originally, there were 198 entries — but 58 could not get ready in time.

The winner of the big class will reach Newport in under 20 days — less than half of Chichester's time. The largest boat in the race has been built at a cost of well over £1m. so that the 1972 winner, Alain Colas, can win it again for France, where they treat the OSTAR as a four yearly re-run of the Battle of Trafalgar.

Four-masted schooner

Well over £1m. on one boat? Well yes. The boat is 236 feet long, a four-masted schooner. That makes her the longest sailing vessel to be built anywhere in the world since before the first world war. It means she would just about fit across a football pitch. Her name is Club Mediterranée, and the Club has put up about a third of the money.

The smallest entry is just 20 feet long—about the length of a largish living room. There are 19 trimarans and three catamarans. The helmsmen come from 17 countries. Four of them are girls, one of them English. The 1976 OSTAR is already being called the greatest yacht race ever sailed.

The *Financial Times* trimaran, FT, has been built to fit the small class in the race, for boats under 23 feet on the waterline. This promises to be by far the most competitive class. There are 91 entries, about two-thirds of the total, and 20 of those boats have been built specially to win the Jester Trophy for this class.

It is almost four years now since I started planning my attack on the OSTAR, and three since the Financial Times agreed to sponsor an experimental *racing trimaran. Most* of the helmsmen at the start next Saturday will have been planning their race for a minimum of two years; all of our private lives will have been dominated for many months now by our preparations for the Atlantic Ocean.

The OSTAR is one of those projects that take over your life. It sounds so simple—get hold of a boat, do a bit of practice, buy a few provisions, and join the jamboree. But it is nothing like that. The planning process is endless, the lists of essential things to do, vital equipment to buy, damage to repair, changes to make to the boat to make her suitable for *singlehanded racing, grow* exponentially by the week. You have no crew, so there is no one else to do it all. At the end of the day, most competitors reach the starting line exhausted by the effort of getting there, and leave behind a bank account covered in red ink.

Most long-distance yacht races have an element of chance in them. The OSTAR is one of the chanciest. Within hours of the start, the fleet will have started to divide into two fleets—those who aim to take the "Great Circle" or northern route, and those who plan to go south on the "Azores" route. Some will take that decision on the morning of the race, after studying the weather charts and making their own long term weather forecast. Some will have made it months ago.

Broadly speaking, the *northern route is for heavily* built boats which are designed to beat into the prevailing strong westerly winds of the Northern Atlantic. The southern route is for light weather craft. The major disadvantage of the southern route is that it is considerably farther. Along the Great Circle it is 2,850 miles from Plymouth to Newport. The *southern route adds about 450* miles to this distance, or about one sixth.

It became obvious during FT's first summer that the point of sailing on which she excels is beating into a light wind. By contrast, the only point of sailing where she is a dog is bashing into really heavy seas and winds. My route for the OSTAR, therefore, chose itself. I had to go south, and most of the lightweight boats and virtually every one of the trimarans and catamarans will be on the southern route with me. The big and heavy boats, on the other hand, will *stay* north.

I hasten to add how enormously grateful I am to Derek Kelsall, FT's designer, for designing me a boat that forces me down to the Azores. The Northern route represents to me everything that is hell about sailing, and everything that is most dangerous about doing it singlehanded.

To begin with, the mean winds on the northern route are strong and dead against you. The chances of having strong to near gale force winds against you average out at about one day in four or five. The mean air temperature is between 45 and 55 degrees, and the mean water temperature does not *bear thinking about. For 600* miles, the Great Circle route runs through the iceberg zone, and over the same 600 miles, there is a 20-30 per cent. chance of thick fog, and since you are on the Grand Banks of Newfoundland, a pretty good chance of running into a fishing fleet. It is a route designed for nautical masochists.

We on the southern route have different things to worry about —principally a meteorological phenomenon known as the Azores High. The Azores High is the ridge of high pressure whose shape and size determine Britain's summer weather. In the middle of the Azores High, there is no wind at all—just lots of sun, a flat blue sea, and maybe the odd basking whale to pass the time of day with. The *major risk carried by the* southern route boats is that of finding themselves caught in the Azores High, and unable to get out of it. The trick is to know where it is and to sail around it.

The tactical point is that once you have made your decision, you cannot change it. The Gulf Stream, with its strong adverse current, flows between the two fleets, forming a silent and invisible barrier between them. The choice of route is the most important decision, and the *biggest gamble, that all of us* will have to take.

Last time, in 1972, the first two boats home took the northern route; the winner of the small class took the southern route; and six of the first ten finishers went south. So honours were evenly shared.

The worst part of the race *will be the first two days.* The start itself will be a nightmare —with 90 other competitors to avoid, and hundreds of spectator craft all vying with each other for the best view. The first night will be spent in the middle of the Channel shipping lanes, knowing that 139 other singlehanded boats are somewhere quite close by. If the weather is bad, several of us will be fighting seasickness. After 12 years free from it, it has come back and hit me three times in the past 12 months, the last time two weeks ago.

But once out of the Channel and into the Atlantic, and with our stomachs under control, we shall all start to settle into a regular routine. My own pattern is to try to sleep at least six hours every night, if possible without serious interruption. In doing so, I marginally increase the worst and most glaring danger faced by a singlehanded sailor, that of colliding with another ship.

Array of warning devices

In mid-ocean, the chances of seeing another ship are pretty small—an average of one ship a day would be quite normal. The chances of being on collision course with her are very small indeed. To reduce the chances of accident still further FT carries an array of warning devices designed to make sure that the man on watch sees me long before his ship gets anywhere near me.

To begin with, FT has a powerful radar reflector, attached at the top of my mast, 50 feet above sea level. According to the manufacturer, I should be picked up on a radar screen by a ship 50 miles away. Also at the masthead are my green and red port and starboard lights. And in the backstay is a Willis and Bates storm lantern—the type used by the military, with a fierce all-round white glare, which I hope is strong enough to frighten off the most nerveless fisherman, and to alert those watch officers too dozy to pick me up on their radar screens.

Trimarans, as everybody who has ever sailed them is only too ready to point out, can capsize. And once over, they will not come back up again. The principal danger to a multihull in this race is that she will be *hit by a sudden line squall while* the skipper is asleep.

Sleep is vital to the singlehander. Exhaustion catches up with you very fast, and you suddenly find that you have reached the point where your body just refuses to do what your mind tells it to. Eating is the other vital component of keeping oneself alert. It is also the occasion to which—on those really awful days when you are sopping wet, freezing cold, and frightened to death—you look forward. Weight is critical on FT. *But I have allowed myself* to stock up with a total of about 175 lbs of food, much of it carrying labels that warn more of *Cornard à L'Orange*, or *Bisque Homard*. It is not just that I am a glutton—though I am. Food, quite apart from keeping you alive is the greatest morale booster to relieve a singlehander's life.

I just wish next week would *hurry up and go away.* After four years of planning, a winter of training, and a spring of practising, I was overwhelmed last week by several days of appalling nerves. Every imaginable horror from losing my mast on the starting line to being hit by the fluke of a whale suddenly welled up inside my stomach as if it was is real as typing this article. The next week is nerve-fighting week, gamesmanship and trying-not-to-forget-anything-week. At 1.00 p.m. next Saturday, the starting gun will go, and half an hour later, if I have managed to avoid all those spectators and competitors, I shall be in open water heading for the Eddystone Light (the only mark we must all pass on the course).

Letters to the Editor

Incentives

From The Chairman, Rigid Containers

Sir,—I refer to your report (May 20) on the disagreement between certain major companies and the accountancy profession over the treatment of taxation in company accounts.

While my company is relatively small and unquoted, this issue has caused me some concern and is one on which I have commented in my last two chairman's statements. As an accountant in industry I, too, am *concerned at the growing size* of our deferred taxation account. In our case it is now over 25 per cent. of total net assets. However, I do not share the major companies' view that the accountancy methods chosen are the cause of this unsatisfactory state of affairs. Our investment incentives through the tax system at present merely defer tax payments. In this connection I feel that investment allowances were the ideal investment incentives in that they produced relief reasonably quickly, without a great deal of bureaucratic form filling as in the case of investment grants and had no repercussions in the future. On the other hand, the 100 per cent. first year tax allowance for capital expenditure does produce repercussions in that depreciation on those assets is written *off over a period in the financial* accounts but there is no corresponding tax allowance after the first year.

Should not these companies be pressing for better investment incentives instead of complaining that the accountancy bodies are describing deferred tax under just that heading?

G. B. Burditt.
P.O. Box 7, Rushton Road, Kettering, Northants.

Arts sponsorship

From the Secretary, The Museums Association

Sir,—I was most interested to read the recent correspondence advocating local authority lotteries as a means of providing additional financial aid to provincial museums and galleries. The Museums Association made a similar recommendation in its evidence to the inquiry which Lord Redcliffe-Maud has been conducting on behalf of the Calouste Gulbenkian Foundation. His report, Future Support for the Arts, will be published next month and will, we hope, offer constructive proposals for increased collaboration between central and local government, private and business sponsorship over the whole field of the arts, including museums.

Additional finance for building improvements, conservation facilities and purchases is desperately needed by our provincial museums and galleries. Imaginative projects, such as the scheme for a sculpture and exhibition gallery extension at Leeds City Art Gallery for which construction costs will be partly offset by the rent from a public house to be sited in the basement, need active encouragement and grant aid. This Association will be exploring methods of future sponsorship in its annual conference in early July.

Brenda Capstick.
87, Charlotte Street, W.1.

Korean markets

From The Chairman, Household Textiles Association.

Sir,—In his letter about clothing imports (May 12), the Director of the Korea Trade Centre paid tribute to the virtues of free trade and extolled the attractions of South Korea as a market for U.K. exporters of high-cost items.

Having quite recently led an export mission to South Korea, I have every reason to question the validity of this glowing picture. If he is referring to high-cost reciprocal exports of consumer goods such as clothing, he must know full well his country has a total prohibition on the import of all consumer goods. My mission, which was sponsored by the Export Association of Nottingham and supported by the British Overseas Trade Board, comprised members selling a variety of high-cost products—none of which could be described as consumer goods. Even so, some members were *frustrated by the restrictions on* trading (import deposit surcharges and licensing) imposed by the Koreans, which had the effect of making their products difficult to service, unnecessarily expensive, and too sensitive to the vagaries of their licensing system.

Having in mind the South Korean policy on exports—by which exporters are penalised for failing to reach pre-determined targets—Mr. Johong's pleas for "Free Trade" have a very hollow ring.

W. Smit.
C/o Manchester Chamber of Commerce, Ship Canal House, King Street, Manchester.

Colonial rate

From Mr. J. H. Bescoby.

Sir,—Mr. Pettifer's letter leads me to speculate that a more appropriate rate for the pound, in this bicentennial year, would be £1=$1, thus affording complete parity to the currency of our former colony.

J. H. Bescoby.
Department of Naval Architecture and Shipbuilding,
Armstrong Building, Queen Victoria Road, Newcastle Upon Tyne.

Historical pound

From Mr. Michael Lunan

Sir,—Mr. A. M. Pettifer's letter (May 25) predicting the pound reaching $1.776 in celebration of the U.S. Bicentenary was proved accurate rather more quickly than was anticipated. Would it be bad taste to point out in these devolutionary days that Culloden Field took place in $1.746. To say nothing of Bannockburn.

M. J. Lunan.
The Stock Exchange, London, E.C.2.

English rules OK

From Mr. G. P. Bartholomew.

Sir,—Your Mr. Dunkley would like better English to be broadcast, and so would many people. I fear he does not further the cause by writing, as he does in *your edition of May 19, words* which are not English at all. I quote four of the words whose meaning is unknown to me, at least: "machismo," "go-faster stripes," "tailgates," "fuzzy-mobile."

The use of generally accepted coloqualisms or even slang may sometimes be justified in journalism, but the latter at any rate should be placed between quotation marks. Would Mr. Dunkley please tell us what his strange words mean and why he did not use plain English words instead of them?

G. P. Bartholomew.
12, Glenilla Road, N.W.3.

Peter and Anne

From Mrs. Ethel Hannay.

Sir, — Once again we meet Arthur Sandles' typical south eastern couple "Peter and Anne" (May 22).

He is every Midlander's idea of a city gent—a male chauvinist pig, who admits to be depriving his daughter to pay for a son's private education, who fiddles his firm out of telephone payments, who gets mardy because he can't have a new car every year.

And his wet nelly of a wife, who should have thumped some sense into him years ago, and who is too idle or dim to get a job for herself—being content with a small allowance out of the housekeeping—at least she isn't getting giggly on a small sherry as she did three years ago.

No wonder this country is going to the dogs—those who can't, or won't manage on £9,000 p.a. should be b - - - - - well ashamed of themselves.

Ethel Hannay.
16 Way Lane, Deonfield.

Potato moral

From Mr. Harry Reddin.

Sir,—In the issue of May 26 you publish an awakening letter from Mr. J. H. Brooke entitled "Words of Wisdom." Mr. Brooke concludes with the question: "When will we ever learn?"

The answer is simple: We won't, because we can't. If man cannot understand the elementary teachings of Christ, C. Gordon Tether or Charles *Dickens how can we learn?*

Allow me to relate the Parable of the Potatoes. A grower's family comprised ten people. Each of these ten people ate ten pound of potatoes a week. The grower was a simple man. He grew his own potatoes and calculated that if he provided 100 pounds of potatoes each week his family needs would be satisfied and they all lived happily for many years. Then one year he had a bright idea. He stepped up his production to the rate 120 pounds of potatoes per week. He started an export business and each week he sold 20 pounds of potatoes. He started to make a profit and his family needs were still *being satisfied and they lived* happily for many years. Then one day a government official called and found out what he was doing.

"We are running an export-*led recovery programme* and we require you to export 50 pounds of potatoes every week." "But I can grow only 120 pounds per week," said the grower. "That leaves you 70 pounds per week," replied the official, "and you must reduce your standard of living to that laid down by Ministry of High Intellect."

And so it was. The grower's family grew skinny and limp. They wilted and went on Social Security until they died and on the potato field the Ministry of High Intellect built an enormous office block which will appreciate in value far more than any potato.

To bring this parable up to date simply read of to-day's jubilation of a possible export order for machine tools to Poland. These machine tools are analogous to the grower's spade: He needed it.

Maybe I shall be spared to write the story of how British Leyland imported machine tools to make motor cars to compete with "Pole-cars."

Harry G. Reddin.
11, Muzzle Patch, Tibberton, Gloucester.

Deferred tax

From the Managing Director, E. Gomme.

Sir,—The report in your issue of May 20 about the CBI's statement on the treatment of deferred tax raises a matter of great importance. I support the view put forward about the present unsatisfactory position of large balances which will probably never have to be paid.

A further point is that not only is the principle involved unsatisfactory but the two methods of presentation (recommended by the accounting profession) have shortcomings.

The "deferral" method means the balance in the balance-sheet is calculated at various rates of tax so that it would be purely by chance that it represents the amount that would ever have to be paid if such an unlikely circumstance were to arise. The second is the "liability" method whereby the amounts outstanding are calculated at the latest known tax rate. This seems a better way of expressing the so-called liability. However, whenever there is a change of tax there has to be an adjustment from the previous balance and under the standard practice laid down this adjustment has to be charged or credited in the profit and loss account involving an inevitable distortion of the year's results because as the deferred balance gets larger so will the potential adjustments. Both these methods have grave shortcomings and the aim should be to have the deferred balances in the balance-sheet at one rate with adjustments made to reserves when the rate of tax changes. In this way the balance-sheet would make a little more sense and the profit and loss account would not be distorted. Clearly, the whole situation is a mess and needs to be reconsidered.

D. G. A. Owen.
P.O. Box 27, High Wycombe, Bucks.

Cheque frauds

From Mr. J. Clements.

Sir,—In view of the large number of cheque frauds I am surprised that the banks still continue the practice of overprinting the customer's name on the cheque.

J. Clements.
48, Harvey Point, Fife Road, E.16.

Citizenship and immigration laws are likely to be changed. **Colin Jones** reports on the situation of Britain's coloured minority

Being fair to our non-white settlers

ke one to draw up a "balance sheet" of the state of race relations in Britain to-day one might perhaps begin by recording the tolerance with which the majority of people in this country have reacted to the profound change brought about in their society by the influx of substantial a minority of non-white settlers in the last 20 years.

Of course, there is prejudice and, of course, there is discrimination. But, compared with the experiences of minorities in history and in other parts of the world to-day, Britain does not have much to be ashamed of, especially in recent years amid the extra strains of recession. Nor is the tolerance all on one side. As a recent PEP study and other surveys have noted, most coloured people in Britain, in spite of the disadvantages they suffer and in spite of the discrimination many have experienced, are not generally bitter or resentful—in part because they still see themselves as immigrants and are able to make comparisons with their home country.

That having been said, however, various other factors need to be weighed before a balance can be drawn up. Perhaps the most important lies in the changing nature and character of the coloured population itself. A few years ago less than a quarter had been born here. In areas to-day the proportion of U.K.-born is about 40 per cent. Among the younger ones—those now the age of 20—the U.K.-born are predominant, probably about five in every six. The number reaching working age is steadily-growing year by year and in the last couple of years an increasing minority have been failing to find jobs.

Those who have been born and schooled here may tend to be less tolerant about the injustices of the host society. As it is, the growing size of the coloured population is becoming a more significant electoral force with which all political parties are realising they must reckon. In the last ten years their number—children included—has grown from 1m., or about 2 per cent. of the total population of Great Britain, to—as a calculated guess—about 1.9m. or approaching 3½ per cent. Partly through choice and partly through necessity, they have tended to congregate in parts of London, the Midlands, and certain other cities. Not all who are qualified register to vote but at the last election about an eighth of all Westminster constituencies returned a majority smaller than the local resident coloured population.

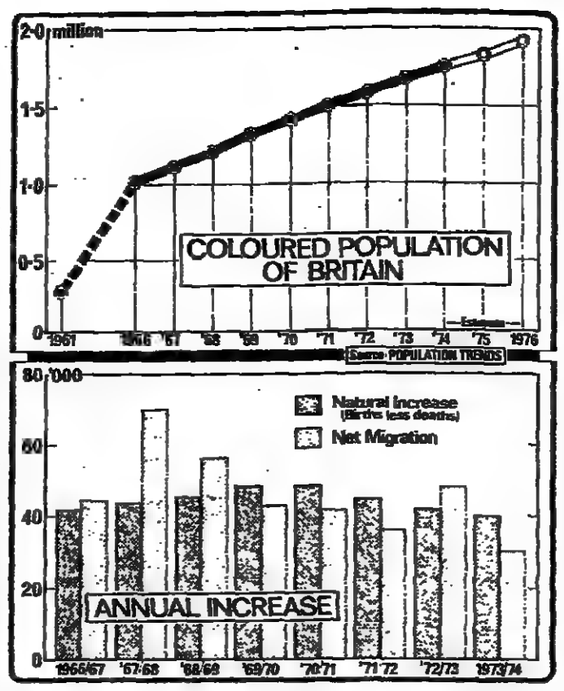
Attitudes

The growing size of the immigrant minority and the growing number who were born here form part of the background to the Government's decision to stiffen the anti-discrimination laws — and overhaul the enforcement machinery—which has been embodied in the Race Relations Bill now before Parliament. But providing legal redress against acts of discrimination will not, of itself, change attitudes. Nor can legislation be more than one part, albeit an essential part, of a framework for improving race relations. Of equal if not greater importance for policy are, first, to concentrate public resources through the urban programme and in other ways on the areas where immigrants most congregate and, in particular, to try to head off the threat of a cycle of deprivation setting in for the second and third generation and, secondly, to limit the flow of newcomers to a level the country is demonstrably able to absorb.

This last point—the need for strict controls on immigration—ceased to be an issue between the major political parties more than a decade ago. Nor do the leaders of the immigrant communities have any doubt that the number of new entrants must be severely limited if the wide measure of racial tolerance present in this country is not to be put under impossible strain.

But confidence in the efficacy of the present immigration controls—and in the reliability of the official figures of those accepted for permanent settlement either on arrival or subsequently—was not exactly high before this week's revelation of an official Foreign Office report confirming suspicions not only of a highly organised illegal immigrant traffic but also that the number of dependants seeking to come here from the Indian sub-continent may be a great deal larger than had been officially thought likely.

The problem lies not in bureaucratic incompetence or lack of adminstrative resources (though the latter have been quietly strengthened in an attempt to deal with illegal entry). The root of the trouble is Britain's tangled and hopelessly out-of-date laws of citizenship. There is no definition anywhere of who is and who is not a citizen of this country. When the British Nationality Act was passed in 1948, we persisted in the Imperial tradition of citizenship of the United Kingdom and Colonies and this tradition persists even to-day, despite attempts since 1962 to make distinctions in order to control entry—distinctions, incidentally, which have sometimes come close to breaching international law.



At long last, this nettle is being grasped. A Green Paper expected shortly will announce the results of a major Government review of the citizenship and immigration laws. In future, the immigration laws are likely to recognise only four categories — aliens, Commonwealth citizens, citizens of the U.K. and Colonies, and citizens of the United Kingdom —and the door will be always open only for the fourth category. Commonwealth citizens resident in this country whose parents or grandparents were born here would be ineligible for British citizenship other than by naturalisation.

Quite how these changes will affect Britain's existing commitment to "non-partial" holders of U.K. passports and to dependents of immigrants who have settled here remains to be seen. The remaining 40,000 or so U.K. passport holders in East Africa are expected to have arrived under the voucher scheme before the new laws take effect and U.K. passport holders in Singapore, Malaysia, and Hong Kong were deprived of the right to settle here by the 1971 Immigration Act—though there could be contingent problems in Hong Kong if China refuses to renew the New Territories lease in 18 years' time.

Then there are the dependants of those already here. Abroad, amazement is sometimes expressed that Britain should admit not only migrant workers but whole families, including many in recent years with little or no knowledge of English. But the commitment was written into the 1971 Act. The main problem is partly one of lack of documentary evidence of relationship, partly the Asian concept of the "extended family."

Yet, even if the flow were to be reduced to a bare trickle, race relations in this country could not be expected to improve — or a deterioration avoided — without an active policy on the part of governmental and community leaders. Successive surveys have spelt out the disadvantages which many immigrants face. The level of jobs they obtain tend to be lower. They earn less and do more shift work yet very often their earnings have to support a larger number of dependants. If they are young and West Indian they are more likely to be out of work. They are as likely as the indigenous population to be owner-occupiers — rather more likely if they are Asian—but the quality of their housing tends to be lower, with more overcrowding partly because of the "extended family" and partly because of sub-letting to ease the financial burdens of house purchase.

Poor housing

Up to a point, of course, this is the common experience of first-generation immigrants the world over. But discrimination in jobs, housing and schooling and the lack of a positive policy to alleviate disadvantage could easily lead to a cycle of deprivation for later generations. Already, there is talk about mugging offences by black teenagers in certain urban areas. Research shows that unemployment and poor housing and education are far more important than race as causes of this kind of crime.

As far as organisations like the Race Relations Board and PEP can tell, discrimination in employment is now somewhat less prevalent than, say, ten years ago and it is appreciably less in private housing, both for rent and for purchase. Yet, according to a recent PEP survey, a coloured worker still has a one-in-two chance of being discriminated against for a non-skilled manual job, a one-in-three chance in the case of a white collar job, and a one-in-five chance for a skilled manual job. It is not so much that employers positively dislike employing coloureds than the fear, real or assumed, of facing trouble from their existing employees if they do.

A similar comment can be made about local authority housing. The relatively very small proportion of coloured people renting council houses stems not so much from positive acts of discrimination but from the failure of most local authorities to adapt their administrative systems to the needs of a multi-racial society. Immigrant families tend to be larger, they may have different housekeeping standards, some have a poor command of English, and none can immediately meet the residential qualifications demanded by some housing authorities, including all London boroughs.

These matters may perhaps be susceptible to the broader strategic anti-discrimination approach of the new successor body to the Race Relations Board and the Community Relations Commission. But, even if positive discrimination were to disappear altogether — which seems unlikely—one would still be left with problems of deprivation. Quite rightly, successive Governments have chosen not to discriminate in favour of immigrant communities but to tackle their needs as part of the wider phenomenon of urban deprivation generally. Resources are however limited and are likely to remain so for some time to come. And we do not yet understand fully either the causes, the nature, or the possible remedies for urban deprivation. So long as this remains so, we can probably never be really confident that we can make a success of what has now becomes a multi-racial society.

LABOUR NEWS

Steel Unions agree on merger outline

BY IAN HARGREAVES, LABOUR STAFF

THE CONTROVERSIAL merger between the biggest steel union, the Iron and Steel Trades Confederation, and the non-TUC affiliated Steel Industry Management Association has moved a decisive step nearer with agreement by both sides on a draft outline of terms for amalgamation.

Mr. Robert Muir, general secretary of SIMA, said last night after a meeting of the two delegations: "We reached agreement on a common set of terms for a possible merger."

The terms will now go to the national executives of both unions, which will meet simultaneously next month, and if there are no unexpected problems, SIMA's 12,500 members will be balloted soon afterwards. ISTC, which has 106,000 members, is not expected to hold a ballot.

Mr. Muir said that talks between the two sides, which began last autumn, had been amicable. "They were a reflection of the considerable improvement in relationships between the two unions in the past two years," he said.

The two unions have certainly grown each other longer as enemies than as friends. ISTC has always claimed that SIMA was created by BSC in the late 1960s as a tame management union designed to frustrate its members' ambitions for substantial expansion of its white-collar sector. In 1972 and 1973, ISTC staged anti-SIMA strikes at the BSC's Teesside and Scunthorpe plants, but in the last year, under the leadership of Mr. Bill Sirs, ISTC has softened its attitude to SIMA. At the same time, the attitude of craft unions in BSC has hardened. The National Craft Co-ordinating Committee, which represents 12 unions, including the Amalgamated Union of Engineering Workers and the Electrical and Plumbing Trades Union, is still committed to a wave of industrial unrest, centred on non-co-operation with SIMA members, in protest at the denial of national bargaining rights to the NCCC. SIMA and ISTC both have national negotiating rights.

Details of the terms agreed are not being disclosed, but they are believed to involve the creation of a separate white-collar section of ISTC. If everything goes smoothly next month and in the SIMA ballot, the merger could come into effect at the end of this year.

● Production returned to normal yesterday at the British Steel Corporation's Llanwern works, following the rapid settlement of a strike by 12 foremen working on the giant number three furnace on Thursday.

The foremen's pay claim, which is aimed at restoring differentials over the blast-furnace operators whose top rates were raised to about £90 a week after a long and bitter period of negotiation late last year, will now be dealt with under normal procedural arrangements.

Rubbish to split Post Office, says Jackson

MR. WILLIAM RYLAND, chairman of the Post Office, was accused yesterday of talking rubbish about the proposal to split the Post Office into two separate businesses, posts and telecommunications. Mr. Tom Jackson, general secretary of the Union of Post Office Workers, told his union's annual conference in Bournemouth that this was "an escape hatch" for those responsible for the Post Office's future.

"If management can't manage the service then we don't need the service divided — we need managers who can."

His union backed a call for resisting "at all costs" any further attempts at division.

Mr. Jackson said that he had seen no evidence to convince him that the division of the Post Office was sensible or in the interests of the public or the union's members.

It was easy to say "divide it." This was "a convenient escape hatch for all of those with responsibility for the failure of the Post Office to live up to the expectations which we as workers have, and which the public has."

Lorry drivers end strike

A FOUR-DAY-OLD strike by more than 4,000 lorry drivers in the West Country ended yesterday after an undertaking that their grievances would be taken up with the Chancellor by Mr. Jack Jones, leader of the Transport and General Workers' Union.

The men were protesting about a Government proposal to tax overnight subsistence payments in excess of £4.50.

AA staff reject new participation plan

BY DAVID CHURCHILL, LABOUR STAFF

A BALLOT of staff at the Automobile Association has voted by about three to one to reject management proposals for a new form of participation which would have effectively replaced the existing staff association.

The ballot, held over the last three weeks, resulted in a vote of 1,168 in favour of the AA's proposals and 3,485 against, with about 2,000 staff not voting.

The AA had claimed that existing employee representation, through the staff association and the Association of Scientific, Technical and Managerial Staff, failed fully to represent the views of all staff.

It proposed new forms of participation, such as regional councils and "independent staff counsellors."

An AA spokesman, while acknowledging the rejection of the management proposals, said yesterday that many staff would still like the opportunity to participate more fully.

A local official of ASTMS, which has about 500 members in the AA, is also seeking talks with the 4,500-member staff association to discuss an eventual merger and so prevent any future move to change existing staff representation.

Concorde flights to Australia planned to begin next year

BY LORNE BARLING

BRITISH AIRWAYS Concorde flights to Australia are expected to begin early next year, at the latest, after yesterday's decision by the Australian Government to allow supersonic flights into the country.

The approval gives the Anglo-French Concorde programme another boost in the wake of its recent introduction to the Washington route, though the question of Indian overflying rights remains a major hurdle.

The Indian Government has been reluctant so far to allow the aircraft to pass over the country supersonically, because of the noise factor, and subsonic overflight or a diversion would be crucially time-consuming.

Concorde flights from London to Melbourne would be increased from 14 hours 15 minutes to around 17 hours if either of these measures were necessary, compared to 23 hours 25 minutes by subsonic aircraft.

Although negotiations with the Indian Government are expected to resume in June, with a possible trade-off on Air India flights through London in prospect, Whitehall sources were not optimistic about the outcome yesterday.

However, British Airways would, it was said, inaugurate the route and believes that, despite a possibly reduced payload or another stop in addition to the planned Bahrain and Singapore landings, flights would prove profitable.

In Canberra, Mr. Peter Nixon, Australian Transport Minister, said: "The Government has made this decision only after a thorough investigation of the environmental factors of the aircraft's operations."

The decision was based on considerations including noise and sonic boom measurements taken during Concorde's test flights in Australia in August last year.

In London, it was felt that the recent U.S. agreement to allow Concorde to fly into Washington's Dulles Airport and Kennedy Airport at New York for a trial 16 months had been an important factor in the Australian decision.

But Australian findings on noise were perhaps more important. These showed that Concorde was comparable on landing to sub-sonic jets such as the Boeing 707, although "appreciably louder on take-off."

Mr. Henry Marking, deputy chairman and managing director of British Airways, said yesterday that the decision meant the tide was turning for Concorde and that it had passed the barrier of acceptability.

The airline said the fare would be the present first-class fare, £744 one way, plus a surcharge of not more than 10 per cent.

● Air France is interested in extending its U.S. Concorde service to Mexico, M. Jacques Medecin, French Minister for Tourism, said in Mexico City.

Iceland and U.K. likely to reach cod war accord next week

BY JON MAGNUSSON

REYKJAVIK, May 28.

IT SEEMS certain now that Iceland and Britain will settle the fishing dispute in Oslo by the middle of next week.

Mr. Matthias Bjarnason, the Icelandic Fisheries Minister, said here to-day that his Government needed "certain clarifications" from the U.K. Government before negotiation could start.

He added that Iceland would not enter into negotiations before it was certain that a settlement could be reached. There is some confidence, however, that the British response will be satisfactory.

Mr. Bjarnason said that the negotiations would not take place during the week-end because all messages between the two Governments go through the Norwegians since Iceland broke off diplomatic relations earlier this year.

The most likely starting date therefore is either Tuesday or Wednesday after Mr. Crosland, the British Foreign Secretary, has attended the meeting of EEC Foreign Ministers in Brussels.

The opposition to a negotiated settlement in Iceland has turned out to be much weaker than was expected, indicating that the public now wants to get out of this dispute with its NATO ally.

Mr. Geir Hallgrimsson, the Icelandic Prime Minister, said in Reykjavik this afternoon that his Government would shortly issue a statement on the subject.

● Telephone and telegraph services between the U.K. and Iceland will be disrupted from next week because of repairs to the cable linking the two countries.

Confidence returns to art market

BY MICHAEL THOMPSON-NOEL

THE TOTAL rehabilitation of the international art market after its near-collapse in late-1974 has been confirmed in New York during a sale of important post-war and contemporary art at Sotheby Parke Bernet which produced a clutch of records and totalled £827,588.

Mr. Peter Wilson, chairman of Sotheby's, said last night: "There has been a tremendous surge forward in the art market over a broad field in recent weeks. There has been a great improvement in confidence, as reflected in New York."

Among the six records at the sale, late on Thursday, a European collector paid £99,887 for Francis Bacon's *Reclining Man with Sculpture*, a large (65½ by 56 inches) oil on canvas of distinctive ugliness from Bacon's vintage period, the early 1960s. This was the highest-ever price for a work by a living British artist. The previous record for a Bacon was £71,500, paid last year.

Sotheby's said: "The six record prices have been worked out after allowing for currency fluctuations and the falling pound."

Mr. Julian Barran, one of Sotheby's leading modern and contemporary art experts, said in London last night: "The New York sale was of exceptionale quality but underlined the market's new-found strength. Some of the prices were totally remarkable."

All told, Sotheby's and Christie's, the world's two leading art auctioneers, seem headed for a turnover improvement this year of at least 25 per cent. Their turnovers last season were £75.1m. and £33.7m. respectively, falls of 16.8 and 21.8 per cent.

The highest price in New York on Thursday night was the £106,741 paid by a European dealer for Mark Rothko's *Sienna, Orange and Black on Dark Brown*, signed and dated 1962, the second highest price ever paid for a contemporary American artist. Another record price was the £78,851 paid by an American collector for Arshile Gorky's *Soft Night*, formerly in a Connecticut collection. The previous record for a Gorky was £22,634, paid in 1974.

Other record prices were paid for the works of Roy Lichtenstein, Larry Rivers and Philip Guston.

Earlier at Sotheby Parke Bernet, a sale of 19th and 20th century drawings and watercolours totalled £389,000.

Accounting groups in merger talks

By Michael Lafferty

THE U.S. company in the Touche Ross International accounting group is holding merger discussions with Laventhol and Horwath, another major U.S. accounting company and a member of the Horwath and Horwath International group.

Spokesmen for Touche Ross London and Stoy Hayward, the U.K. member of Horwath and Horwath International, confirmed yesterday that the discussions were limited to both the international firms' U.S. operations.

The development is thought particularly disappointing for Stoy Hayward, which only last year joined Horwath and Horwath International. If the U.S. merger goes through it may lose a strong U.S. connection and substantial referred fees. There seems little likelihood of a merger with Touche Ross in the U.K.

Touche Ross, which originated in the U.K. in 1898, is the smallest of the "Big Eight" accounting firms in the U.S. In a recent report it put its 1975 international fee income at $288m., of which $148m. was in the U.S. The 1976 revenue is projected at $170m. for the U.S. and $336m. worldwide.

Laventhold and Horwath, which has 35 U.S. offices and about 1,700 staff, is thought to rank tenth in the U.S., with annual revenues of below $100m. It specialises in hotel accounting.

Economic Diary

IMF holds its first gold auction in Washington on Wednesday. About 25m. ozs will be auctioned over the next four years in aid of a new trust fund for developing nations.

MONDAY—EEC Foreign Ministers begin two-day meeting, Brussels.

TUESDAY—CBI Economic Policy Committee meets. International convention on hallmarking comes into operation, under which articles with marks below 925 Sterling standard may not circulate freely in U.K. Financial statistics give National Debt in 1975-76. Capital expenditure by manufacturing, distributive and service industries and manufacturers' and distributors' stocks (first quarter—provisional).

WEDNESDAY — U.K. official reserves (May). Capital issues and redemptions during May.

THURSDAY — Financial Times two-day conference, Doing Business with Greece, opens at Athens Hilton. Provisional figures for May of vehicle production and new car registrations.

FRIDAY—Sir Campbell Adamson, CBI director-general, attends its North-West Region Council, Manchester. Lord Ryder, chairman, National Enterprise Board, is guest speaker at annual meeting of North-West Industrial Development Association Bowness-on-Windermere.

COMPANY NEWS + COMMENT

S. Leboff up £0.15m: further rise seen

GROUP PROFIT, before tax, of S. Leboff (Fobel) increased from £1.22m. to £1.37m. in 1975 after £0.66m., against £0.54m., for the first half, and the directors expect to report record profits for 1976.

They report that the current year has started in a "most encouraging fashion." The D.I.Y. division is showing a healthy increase in turnover, the electrical division is well ahead, and the electronics division is doing a very large volume of business, virtually all outside the U.K.

Distribution arrangements with associates in Germany, the U.S. and France are working well and there seems every reason why 1976 should see a very substantial profit contribution from this division, the directors add.

Net profit for 1975 was £670,417 (£589,304) after tax of £698,500 (£634,139), *but subject to an* extraordinary debit of £108,365 (nil).

A final dividend of 0.84375p makes 1.47875p net (0.8354p), as forecast, on capital increased by a rights issue.

The results were achieved despite considerable start-up costs of new subsidiaries both in the DIY field and more particularly, the electronics field. The new factory in Hong Kong was manufacturing on a considerable scale by the end of 1975 and the heavy initial costs had already been covered by the end of the year. Production is continuing to increase, and there is a full order book.

It was necessary to look very *critically* at the distribution company in Belgium in which the group has an investment and which has been continually disappointing. While it continues to trade, and there is a large unrealised profit in the modern freehold land and buildings occupied, the directors felt it would be prudent to write off the *investment completely, and to* devote efforts instead towards alternative methods of developing sales to the Common Market countries.

● comment

At first glance Leboff's full-year profits are some way below interim expectations, but the group reckons that this is due to a special pre-tax provision of around £50,000 and start-up costs on new factories amounting to around £100,000. Demand for DIY products remained high throughout last year and the group appears to be holding its share of an expanding market. On the electronics side, which staged a strong recovery in the second half of last year, the group is concentrating on increasing its market share and, with a hefty first-time contribution from the Hong Kong factory expected in 1976, Leboff is looking for a substantial increase in overall current year profits. At 37p, the shares which *are yielding 6.3 per cent., on a* p/e of 8½ and are backed up by a strong growth record, seem fairly valued.

Ready Mixed well ahead

In his address to shareholders at the annual meeting of Ready Mixed Concrete, the chairman, Mr. John Camden, said that taken overall, financial results for the first four months showed a substantial improvement on the corresponding period of last year.

Recalling his earlier indication that a further small fall in U.K. outputs was expected during 1976, Mr. Camden reported that this had been confirmed by experience to date.

However, the volume upturn that occurred in West Germany in the final quarter of 1975 had continued and had spread to the group's other European operations, he added.

Sir J. Causton sees reduced deficit

Lithographic and letterpress printers and stationers, Sir Joseph Causton and Sons, reports a *reduced first half loss of £271,000,* against £336,000, after heavier interest charges of £193,000, compared with £156,000.

	Half year 1976 £000	1975 £000
Turnover	4,112	4,676
Less material content	1,386	1,728
Leaving added value	2,726	2,917
Trading loss	78	180
Interest	194	156
Pre-tax loss	272	336
From deferred tax	—	27
Extraordinary debits	34	608
Total loss	303	917

The level of activity is disappointing and it is difficult to foresee the result for the year to September 30, 1976, except that the loss will be "significantly less" than the £586,633 for 1974-75, says the chairman, Mr. J. W. Llewellyn-Jones.

The directors continue to look for an improvement in trading conditions in the autumn, he adds.

INDEX TO COMPANY HIGHLIGHTS

£0.3m. loss by John Crowther

IN THE second half of 1975, John Crowther Group incurred a loss of £191,070, bringing the total deficit for the year up to £330,363, compared with a profit of £245,125 for the previous year.

After deferred tax relief the net loss emerges at £74,363 (£147,898 profit). The dividend is raised by the maximum permitted—from 0.458p to 0.537p net.

In the current year to date the company has largely eliminated trading losses due to improved productivity and more efficient use of resources, and is hoping to return to profitability in the latter half.

Margins continue to be under considerable pressure due to imports and excess capacity in the woollen textile industry, in spite of closures but the company's new products in synthetics and synthetic blends are being well received, the directors state.

The directors point out that tax losses of £1,348,000 (including *£453,000 arising from the increase* in stock values since December 31, 1972) are still available to offset future profits subject to any clawback of the stock relief.

● comment

John Crowther's losses intensified in the second half, although *this was not due to the production* difficulties (now said to be overcome) that affected the first half. The group puts this and the small fall in turnover down to an unquantified deferment of order call offs towards the end of the year because of the mild winter. These were said, however, to be firm orders that have been *taken up in the current six* months. With the order book still only at the same level as this time last year, it seems unlikely that anything beyond a break-even point can be reached before the summer, although a return to profits is hoped for in the second half. The directors' confidence is expressed in the higher dividend which gives a yield on the shares at 27p of 3 per cent. while the market capitalisation is £972,000.

Helene of London growth

Subject to the usual qualifications and bearing in mind that group sales of Helene of London to April, excluding Mark Russell, since sold, are higher than last *year, the chairman,* Mr. M. Burkeman, confidently looks forward to a record year in 1976.

He stresses that it is difficult to make forecasts in the present economic climate, but the teenage market, for which the group mainly caters, has been affected less adversely than some others.

Export sales rose from £1m. to *£1.9m. in 1975. Although price* is not the only factor necessary for increased exports, the fall in sterling helped by making the merchandise very competitive overseas.

This coupled with greater expertise and effort in this direction is bringing increasing rewards, the chairman adds.

As known, group pre-tax profit for 1975 was £584,191 (£579,809) and the dividend is 0.567p (0.50386p) net per 10p share.

An analysis of turnover £9,720,864 (£8,213,777) and profit £733,351 (£579,809) excluding loss incurred by group of subsidiaries sold subsequent to year-end shows manufacture and retailing of clothing and fabric merchanting £9,203,808 (£7,775,891) and £497,439 (£412,605); property, printing and freezers £517,056 (£439,886) and £195,436 (£195,843). Rental income was £69,688 (£56,341), interest received £122,237 (£38,879), and parent overheads and interest absorbed £151,469 (£143,861).

At end-1975 the Industrial and Commercial Finance Corporation owned 960,000 shares, and by virtue of a loan agreement may reduce its loan by exercising an option to subscribe for up to a further 1m. shares.

Meeting, 20, Eastcastle Street, W., June 18, noon.

A. Arenson midway setback

ON A TURNOVER of £3.11m. against £3.17m., A. Arenson (Holdings) incurred a loss of *£421,000, against a pre-tax profit* of £304,000, in the half-year to January 31, 1976. The company manufactures office furniture and equipment.

The chairman, Mr. A. Arenson, states that although the second half results will show an improvement, they will also be "disappointing" primarily due to difficulties experienced in building up to full production levels—the main task at present.

However, the outstanding order position is now very much improved and is higher than at any time during the past two years.

Assuming current sales trends continue and production gradually improves to the planned levels by July, he feels sure that a year of major recovery can be looked for during 1976/77.

An unchanged interim dividend of 0.8289p net per 10p share is declared. Last year's total was 1.9115p from profits of £318,000.

	Six Months 1976 £'000	1975 £'000	Year 1974-75 £'000
Turnover	3111	3,171	6,196
Loss	421	*304	*318
Tax	—	158	171
Net loss	421	*146	*147
Ord. Div.	34	29	78
Pref. Div	45	—	29

*Profit.
†After waivers of £3,000.

Trading conditions were exceptionally difficult. The company's sector of the office equipment industry suffered worldwide.

During the period financial degearing was prominent with a considerable reduction in stocks and borrowings and other overheads have been cut back. The process will continue until the end of the current financial year "and our then substantial unused financial facilities will give us great strength to deal with the upturn expected during the year 1976/77," the chairman declares.

A major product improvement programme has been carried out and the new and revised ranges have been successfully launched.

● comment

Arenson suffered from the classic problem of overcapacity in a declining market after last year's £1.3m. factory expansion. The trading background was dominated by retailers' destocking, with a 45 per cent. drop in deliveries of office tables and desks in 1975's third quarter. Arenson's £3.1m. first-half turnover compares with £20m. annual factory capacity and a breakeven point of perhaps £11m. The near £3m. turnaround into losses on static turnover also suggests stock disposals at discounts. But the benefit now is a £1m. reduction in stocks at £2.3m. and an equal fall in borrowings. With retailers beginning to restock, there could be a reduction of losses in the second half. At 25p (down 2p) the historic yield is 12.1 per cent. —covered 0.7 times—against the 14.6 per cent. yield from Caplan Profile, whose first-half profits of £201,611 to end-February were down almost a third on a 12.5 per cent. rise in turnover. Longer-term prospects for both depend on the building and employment cycles.

Burco Dean off £0.4m. at halftime

FOLLOWING THE warning in February that the first half of 1975-76 might be disappointing, Burco Dean reports group pre-tax profits down from £760,995 to £341,520 for the six months ended March 31.

Chairman Lord Hewlett explains that the recession, which was largely escaped last year, hit the group suddenly at the end of 1975. Those companies not directly affected by the level of public spending are now recovering, but the two largest offshoots, Eastham and Burco, are still working below capacity and this may continue for some months.

The group has been "extremely active" in preparing for the next upsurge in demand, particularly in new product design. The first have just been launched and have been very well received. When normal economic conditions return, the chairman believes that the group will be able to move to a new and significantly improved position in the market.

The cash position is satisfactory and the longer term prospects good, he declares.

The interim dividend is raised by the maximum permitted annual amount—from 1.2093p to 1.33023p net. For 1974-75 a total of *3.02452p was paid from profits* of £1.45m.

	First half 1975-76 £	1974-75 £
Turnover	9,271,497	7,778,583
Profit before tax	341,520	760,995
Corporation tax	180,762	385,717
Net profit	160,758	375,278
Interim dividend	54,390	76,718

The group manufactures domestic and industrial appliances, kitchen furniture and holloware, die casting and plastic mouldings.

● comment

The pressures on profit margins noted in the second half of 1974-75 at Burco Dean have increased in the current year and they narrowed from 9.8 to 5.6 per cent., leading to a 55 per cent. pre-tax downturn in the first six months. The apparent cause is the fall in demand for domestic appliances and kitchen furniture at end-1975, resulting in the Burco and Eastham plants being put on short-time working in January. However, there has been *some recovery since March and* Burco Dean reckons that one plant will return to a five-day week shortly. Whatever recovery is made in the second half, it is difficult to see full-year pre-tax profits coming close to 1974-75's £1.43m. unless there is a big improvement in margins. At 51p, the yield is 9½ per cent. covered 3.6 times, and this year's interim dividend has been increased.

Continued growth for Greenbank

MR. B. K. THOMAS, chairman of Greenbank Industrial Holdings, reports that prospects are good and judging by the first five months of the year, the directors are confident of continued growth in 1976.

The company will continue to develop existing product lines, improve production methods and seek new opportunities which can be harmonised successfully with the existing business, he tells members.

As reported group pre-tax *profit improved from £737,097 to* £973,014 in 1975. An analysis shows—engineering (exports) North America £94,003, Europe £74,478, Comecon £251,908, others £13,621; and U.K. £635,870. Other income amounted to £44,473 and there was a loss of £141,138 on property development.

Referring to the improved engineering results the chairman explains that export contracts in particular have not only shown good profits, but in cases where quotations were submitted in U.S. dollars also provided exchange rate gains.

On the property side, because of the poor state of the market, activity was slowed down on projects in course of construction and no developments were completed during the year. A development of 14 houses at Blackburn began selling early in 1976 and marketing began in April, 1976, on the first phase of a block of 27 flats in St. Annes.

As regards the two new developments, Pipe Profiling Equipment and acquisition of control of the U.S. basalt products distribution company, Mr. Thomas says these are areas where steady growth can be *expected over the next few years.*

The dividend is 2.73p (1.85p), and a one-for-two scrip issue is also proposed.

Meeting, Clayton-le-Moors (Lancs.), June 17 at noon.

De Vere accounts qualified

PROVIDED PRICES of the group's basic commodities can be maintained at around current levels *Mr. L. Muller, chairman of De* Vere Hotels and Restaurants, is confident that the progress of the recovery can be maintained.

The very low gearing has enabled the company to withstand the financial pressures brought about by inflation and "we are extremely well placed to consider the expansion of our business in *more settled times.*"

In the year 1975 group pre-tax profits are shown to be up from £697,429 to £715,159, and net profits amount to £533,458 (£538,737). The dividend is a maximum permitted 3.8203p.

In their report the auditors state that the amount of repairs and renewals charged against profits was based, as in prior years, on a percentage of turnover for the year. In their opinion the percentage adopted for 1975, when compared with actual expenditure, has proved to be inadequate with the result that the group profits after tax have been overstated by some £100,000 and earnings per Ordinary Share by 0.9p. To *this extent they are* unable to agree that the profit and loss account gives a true and fair view of the profit for the year.

Meeting Connaught Rooms, WC, June 24 at noon.

See Lex

Scott and Robertson pays more

ON A TURNOVER down from £17.32m. to £14.34m., group pre-tax profit of Scott and Robertson decreased from £575,130 to £109,249 for the year to February 27, 1976, after a first half downturn from £507,436 to £47,746.

Stated earnings per 25p share for the year fell from 7.44p to 1.46p.

Very difficult conditions were experienced in all operations. Activities in the U.K. were profitable, but not to an extent which could adequately compensate for the consequences of a considerable setback in Holland.

But over the past three months there has been a marked improvement in overall monthly trading results, the directors state. The order position is at present satisfactory and they have decided, despite the poor results, to recommend a net dividend of 1.6827p per share, against 1.54p.

	1975-76 £	1974-75 £
Group turnover	14,343,000	17,323,000
Net interest paid	210,913	245,337
Profit before tax	109,249	575,130
Taxation	22,913	202,695
Net profit	78,237	372,242
Extraord debits*	40,487	135,821
Balance	36,870	216,421
Dividends	86,473	80,107
From reserves	39,603	†136,314

* Mainly closure of factory in Holland manufacturing synthetic mesh bags. Factory ceased production at end of December 1975. † To reserves.

Principal manufacturing activities are weaving of synthetic fabrics, extrusion of synthetic yarns, extrusion and conversion of polythene film, jute spinning and bag making.

0.59p by Cope Sportswear

After losses and provisions totalling £170,836 Cope Sportswear returned a group net loss of £35,199 for 1975, compared with a deficit of some £40,000 forecast in April—when the directors first announced that losses had been *incurred* in various aspects of operations—and with a profit of £84,238 previously.

Chairman, Mr. S. Cope, now explains that the closure of Arti International Fashions created a loss of £25,863; in addition it was felt necessary to terminate two unfavourable overseas contracts because of adverse currency trends, and provision of £34,000 for such terminal costs has been included in the accounts. A subsidiary disposed of an unprofitable investment at a further cost to the group of £9,899.

The chairman also states that Loxstar suffered a loss of £101,074 which arose from apparent stock deficiencies (a matter currently sub judice), production problems *and insufficient orders.*

Senior management of this company have been replaced and orders have been increased to a satisfactory level. Production problems have also been overcome and it is now trading profitably.

The dividend is raised from 0.55p to 0.5868p net, with a final of 0.2934p. The directors and their families have waived their entitlement to the final.

MORGAN CRUCIBLE

While the year as a whole was dull for Morgan Crucible in 1975, the final quarter saw an increase of 22 per cent. in pre-tax profits and *not a fall as stated in yester*day's comment.

DIVIDENDS ANNOUNCED

	Current payment	Date of payment	Corresponding div.	Total for year	Total last year
Allied Leather	2.21	—	2.02	2.48	3.15
A. Arenson ...int.	0.63	Aug. 2	0.63	—	1.91
John Crowther	0.54	July 15	0.49	0.54	0.49
Burco Dean ...int.	1.33	Aug. 9	1.21	—	3.03
Chemrlug ...int.	0.8	July 1	0.55	—	1.06
Ellerman Lines	4.95	—	4.5	4.95	4.5
E. E. Jeavons ...2nd int.	2.91(a)	Aug. 5	1.09	3.66	2.44
Kayser Bondor	1.58	July 22	1.44	1.58	1.44
S. Leboff (Fobel)	0.84	—	0.45	1.48†	0.84
McNeill Group	1.93	—	1.7	2.83	2.62
Normand Electrical	1.46	July 16	1.35	2.32	2.13
Pentland Industries	0.21	July 16	0.18	0.38	0.35
Wettern Brothers	3.15	—	3.15	5.21	5.21

Dividends shown pence per share net except where otherwise stated.
* Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues. (a) Treasury consent obtained—see Bids.

Chown loss is £0.56m. at halfway

PROPERTY GROUP Chown Securities reports a loss of £564,908 for the half year ended December 31, 1975, compared with a deficit of £614,253 for the same period of 1974.

The company has continued to dispose of development sites and to sell certain investment properties. The directors are also *seeking to renegotiate or* terminate funding agreements where, due to changed circumstances, calls on the company's cash resources would arise.

The aim is to achieve financial stability as quickly as possible but the pursuit of the policy of containment will result in a considerable reduction in the net assets position at the end of the current financial year.

The first half loss per 25p share before extraordinary items is stated at 12.69p (7.74p) and 0.1p after those items. There is no interim dividend — the last Ordinary dividend totalled 1.4065p net in respect of 1973-74. The loss for 1974-75 was £1.88m. after writing off £380,000 in respect of land stocks.

	First half 1975-76 £	1974-75 £
Turnover	1,099,935	997,125
Interest	653,806	915,946
Other income and exps.	298,848	169,761
Loss	564,908	614,253
From reserves	—	314,386
Property realisation*	461,830	—
Surplus disposal	86,274	—
Retained surplus	4,896	†299,867

* Revaluation of property now realised transferred from reserves. † Deficit.

Liner Concrete ahead

BENEFITS flowing from a carry-over of good export contracts into the first quarter lifted pre-tax profit of Liner Concrete Machinery by 15 per cent. from £187,000 to £215,000 in the half year to February 29, 1976.

Turnover up from £2,586,000 to £2,855,000—will not achieve the same level in the second half as in the previous year but, aided by the liquidity situation, result for the full year should not be "too dissimilar" to 1975, *says Mr. P. S. Field,* chairman. Pre-tax profits for 1974-75 reached £0.61m.

Since the first quarter U.K. demand declined even further but the seasonal upturn is now evident though well below normal, the chairman points out.

Following a quiet period, export orders are again encouraging but margins are under some pressure, he adds.

In line with the announcement at the time of the one-for-three rights issue in January the interim dividend is 0.5p (0.24p) per 10p share on the increased capital. This will leave 0.67p per share as the projected final *subject to no change in the regu*lations. Last year's final was 0.4035p.

	six months 1975-76 £.000	1974-75 £.000	year 1974-75 £.000
Turnover	2,855	2,586	7,378
Profit before tax	215	187	611
Tax	113	97	322
Net profit	102	90	289
Interim dividend	49	17	—

Bridon in Venezuela

Mr. Harry Smith, chairman of Bridon, confirmed his forecast made in the annual report and accounts that the company would make profits in the current year similar to those of 1975.

Shareholders attending the annual meeting were also told that the group was to establish a wire rope factory in Venezuela in partnership with leading local industrialists.

Improvement at Mettoy

The annual meeting of Mettoy was told that the improvement in the new year had been noticeable.

At the last count goods despatched this year were about one-third ahead of deliveries over the same period last year.

Leslie Godwin confident

At the annual meeting of Leslie and Godwin (Holdings), insurance brokers and underwriters, chairman Mr. Norman Gant said he was satisfied that, subject to the economic situation, trading revenue, both in the U.K. and abroad, would continue to grow.

"We are in a strong position and I have every confidence that we shall continue to record good progress," he added.

Percy Lane upturn

Sales of the Percy Lane Group in the first four months of the current year were 20 per cent. up on those of the same period last year.

At the AGM the chairman forecast a substantial increase in pre-tax profits for the first six months.

The company was currently investigating a number of opportunities for further expansion either by building additional capacity or by acquisition.

Results due next week

A very short list of company results due next week after the bank holiday is dominated by British Petroleum where the first quarter figures will be of special interest after last year's big profits fall. Northern Foods half-year figures will also be watched closely to see if the growth trend demonstrated last year and in the first three months has been maintained. Interims are also due from Hickson and Welch and McCorquodale.

After the 70 per cent. plunge in net profits to £144.9m. in 1975, British Petroleum is expected to make some recovery in the current year. Outside esimates of full year profits are around *£200m., with about £42m. coming* in the first quarter, results for which are due on Thursday. Profits are expected to rise progressively through the year on the back of last improving chemicals and with an increase in the flow of oil from the Forties Field from the current 140,000 barrels per day to 400,000 by end-December. Full year contribution from the Forties is, however, expected to be no bigger than £25m. net.

Though Northern Foods is not expected to repeat 1974-75's 98 per cent. jump in pre-tax profits in the current year, it will be able to at least see a fair bit of growth (excluding any contribution from Clover Dairies). In the first three months, profits have risen from £1.33m. to £2.9m. and market estimates have put the *full year total at around £13m.* against £9.4m. So the interim *results, due on Tuesday, should* reflect a sizeable proportion of this rise from last time's £2.96m. The company's dairy and milling activities are doing well, while the hire purchase subsidiary is making a good recovery.

After showing marked resilience in face of the problems of the world chemical industry last year and the depression in construction, Hickson and Welch's interims due on Thursday are expected to show almost doubled pre-tax profits to around £4m. ahead of a probably even better second half. This could take the full year figure to more than £8½m. helped by the opening up of new export markets for both *chemicals and timber products,* which would add to the currency *benefits the group already* receives from overseas activities.

McCorquodale suffered a 10 per cent. pre-tax fall in the second half of 1974-75, and, with the printing industry still having a rough time, the downtrend may have continued into the current year, at least at the interim stage. Margins remain under pressure and it is expected that the mid-term results, due on Tuesday, will show a drop on last time's £1.4m. However, this may have been minimised if there is loss elimination on the engineering division which suffered a loss of £389,000 last year.

Other results due next week include preliminaries on Thursday from Young and Company's Brewery and Brown Shipley Holdings; *and interims on Monday* from Martin the Newsagent.

Company	Announcement due	Last year Int.	Last year Final	This year Int.
FINAL DIVIDENDS				
Airfix Industries	Wednesday	1.029	1.758	1.1
Alida Packaging Group	Wednesday	1.345	3.559	1.303
Alliance Investment	Wednesday	1.5	2.47	1.5
Percy Bilton	Thursday	1.424	1.343[2]	4.022
John Bright Group	Thursday	0.93	1.1	0.93
Brigray Group	Tuesday	Nil	Nil	Nil
Brown Shipley Holdings	Thursday	3.0	2.942	2.5
Buckley's Brewery	Thursday	0.275	0.64	0.3
Century Oils Group	Thursday	0.55	1.597	0.55
Churchbury Estates	Thursday	1.315	2.153	1.45
Corinthian Holdings	Friday	Nil	Nil	Nil
Culter Guard Bridge Holdings	Friday	1.065	Nil	Nil
Dartmouth Investments	Wednesday	0.168	0.446	0.2
James Dawson and Son	Tuesday	1.25	3.17	1.25
Dominion and General Trust	Friday	1.7	3.71	1.5
Deanes and General Investments	Tuesday	0.7	Nil	0.7
Fermin and Sons	Tuesday	1.0	1.781	1.0
Gough Brothers	Friday	0.94	1.52	0.95
Minster Assets	Friday	1.1	1.21	1.1
Mountview Estates	Wednesday	0.38	0.65	0.35
Oceana Development Investment Trust	Thursday	—	Nil	—
Pirsu	Thursday	0.492	0.674	0.442
Rotaprint	Wednesday	1.05	1.598	1.019
Young and Co.'s Brewery	Thursday	1.0	1.751	1.2
B. S. and W. Whiteley	Thursday	0.5	2.18	0.5
Wormalds, Walker and Atkinson	Tuesday	Nil	Nil	Nil
INTERIM DIVIDENDS				
Hickson and Welch (Holdings)	Thursday	3.0	5.446	
Jessups (Holdings)	Thursday	0.28	0.575	
Keystone Investment	Wednesday	1.23	3.0	
Martin the Newsagent	Tuesday	1.809	2.097	
McCorquodale	Tuesday	4.0	8.75	
Northern Foods	Tuesday	1.0	1.328	
Sterling Trust	Wednesday	1.4	2.7	
Sungei Bahru Rubber Estates	Thursday	0.195	0.198	
INTERIM FIGURES ONLY				
British Petroleum	Thursday			
Glenmurray Investment Trust	Wednesday			
London Scottish American Trust	Wednesday			
Wilshaw Securities	Tuesday			

* Dividends shown net pence per share and adjusted for any intervening scrip issue. [2] First quarter figures. [3] Second interim.

UNIT TRUSTS

Schlesingers market leader

Schlesinger Trust Managers is offering investors this week-end the Trident Market Leaders Fund, yielding an estimated 4.31 per cent. gross. The portfolio of this new trust, launched at the beginning of the year, is invested in the market leaders, but with the aim of performing better than the equity indices. The minimum investment is £500, but amounts of £2,500 or more will entitle investors to the "PIMS" service which includes frequent portfolio reports and meetings with the managers.

● comment

Investors who prefer to have their equity investments in the so-called "blue-chip" shares are being offered the Trident Market Leaders Fund. The portfolio contains such leaders as ICI, Marks and Spencer and Unilever. While such an investment should provide equity security, the fund's performance will move very much in line with the equity indicators—the 30-Share and the All-Share.

CANLIFE SHARE EXCHANGE

Canada Life Unit Trust Managers is drawing investors attention this week-end to the Canlife Share Exchange Scheme. This enables investors to exchange *their equity portfolio for units in* either of the Canlife trusts and make considerable savings in expenses.

● comment

There are several advantages for the smaller investor in making his equity investment through unit trusts rather than through direct holdings, including expert management and capital gains tax advantages. The Canlife Share Exchange Scheme offers investors the opportunity to switch into units on favourable terms.

HENDERSON HIGH INCOME

Henderson High Income Trust is offering investors this week-end the Henderson High Income Trust, yielding an estimated 10 per cent. gross. The fund is invested in a wide spread of high-yielding equities (88 per cent.) with small amounts of preference shares and cash. The minimum investment is 1,000 units at a price of 41.8p per unit. A share exchange scheme is available.

● comment

An equity-based fund offers investors the best prospects of increasing income and the *Henderson High Income Trust* also offers investors a double figured starting yield. The track record of this fund is good, annual income has more than doubled since the launch in 1966 and unit price has risen by 67 per cent., outperforming the FT All Share index.

M & G COMMODITY

The M & G Commodity & General Fund is the latest in the M & G stable, providing a managed investment in companies which produce, trade and distribute commodities all over the world. The aim is capital growth, the minimum investment is £200, the estimated current gross yield is 5.4 per cent. and the charges are 3½ per cent. initially plus ½ per cent. per annum.

● comment

Having taken a very long time to get round to launching a commodity fund, M & G is now regularly advertising the M & G Commodity & General Fund. It yields rather less than the other commodity funds on offer this week but then income is not really its aim.

JASCOT COMMODITY

The Jascot Commodity Share Unit Trust gives "more protection to your £" says Arbuthnot Securities, stressing the devaluation hedge characteristics of the fund. *The minimum investment is £300* and the charges are 5 per cent. initially plus ½ per cent. per annum. The gross estimated yield is 6.3 per cent.

● comment

With a respectable yield of 6.3 per cent., the Jascot Commodity Share Fund also claims to be one of the top 10 performers in the unit trust field over the past four-year period. This is quoting from the magazine Planned Savings. Backed by the merchant bank, Arbuthnot Latham, it has one of the longest records of any commodity share fund—always excepting the original fund in this field, Ebor Commodity.

LAWSON RAW MATERIALS

The Lawson Raw Materials and General Unit Trust is on offer from Lawson Securities with a minimum investment requirement of £100. The fund aims at growth of income and capital and was launched at about the same time as the comparable M and G Fund. The charges are 5 per cent. initially plus ½ per cent. per annum.

● comment

The main appeal of the Lawson Raw Materials and General Fund is that it offers a better yield (8 per cent.) *than its competitors.* But it also aims at capital growth and the record of commodity funds in this respect has been better over the long term than funds invested in "blue chip" U.K. equities.

SCOTTISH WIDOWS' NEW POLICY

Scottish Widows is introducing from June 1, a new regular savings equity-linked life assurance contract—the Investor Policy (Second Series). Like the first series, which is being withdrawn, it is linked to the Society's Investor Policy Fund which has a good performance record since its launch in 1966. The new series has no front-end loading and a *high unit allocation.* It has a policy charge of 45p per month and a management charge of ¼ per cent. per annum. The minimum term is 15 years and investors have the option of extending the term without payment of any further premiums up to age 70.

UNICORN SELECTIVE

In its advertisement for Unicorn Selective Income Plan Barclays Unicorn points out that the investor should consider two factors when choosing an income fund: first, that the level of the yield offered by the fund should not be so high as to diminish the prospects of capital growth and secondly, that one can select one's income by taking a proportion of capital gains in addition to the regular income on the fund. The plan is based on the Unicorn Extra Income plan and the minimum investment is £1,000. Income can be taken at any level up to 10 per cent. per annum.

● comment

One cannot but agree with the Unicorn Selective Income Plan's view that income and capital growth ought to be looked at in combination rather than as separate entities. But it is debatable how far one should go along this road now that the long-term growth of U.K. quoted shares is less certain than once seemed to be the case.

SAVE & PROSPER

Save and Prosper is advertising *the whole range of its unit trusts* this week, explaining how the individual can meet his investment objectives by making use of the wide range of funds on offer. S and P was founded in 1934 and now manages around £700m. for 700,000 people, satisfying both specialised interests (such as commodities) and the general desire of investors either to build up capital out of income or to exchange an existing portfolio for units.

● comment

The interesting point about the Save and Prosper group's advertisement is that, rather than *promoting a single product,* it is putting across the idea of having something for everyone in the equity field. In addition it can also offer a broad range of insurance funds.

GILMARTIN

"Become a landowner" is the message of Gilmartin Finance advertisement, urging the benefits of investing in agricultural land. At the back of the exhortation is a leading institution which manages the investment vehicle Gilmartin is recommending. This vehicle also contains attractive tax advantages for tax payers.

● comment

The enigmatic leading institution which Gilmartin refers to is Property Growth Assurance and its Agricultural Fund. To describe a holder of units in the latter as a "landowner" seems a trifle romantic but it does amount to this. Land is probably a good bet at the moment but it does have its fluctuations in value—as was proved in 1974.

G.T. JAPAN & GENERAL

The G.T. Japan & General Fund is being advertised by G.T. Unit Managers this weekend with a minimum investment requirement of £250. The yield on the fund is 0.6 per cent. gross and charges include an initial 3½ per cent. plus ½ per cent. per annum. The growth record in the first two year's of the fund's existence was *112 per cent.*

● comment

At a time when sterling is plunging, it makes slightly depressing reading to read about how well Japan is doing in the advertisement for G.T. Japan & General. But the devaluation hedge virtues are becoming increasingly apparent and G.T. has the benefit of advice from an associate in Hong Kong.

LAWSON HIGH YIELD

Lawson Securities is offering *investors the Lawson High Yield* Fund this week-end, yielding an estimated 12.7 per cent. gross. The underlying portfolio is a mix of preference shares, high-yielding equities and investment trust income shares. The minimum investment is £100, the investor can have accumulation units if desired and there are available both a share exchange and a *monthly* savings scheme.

● comment

The mix of fixed interest preference shares and high-yielding equities in the Lawson High Yield Fund provides investors with a high level of initial income with stability, together with the prospects of increases in that income. Capital appreciation, however, depends on equities rising and interest rates coming down.

Green Group on target: scrip issue

In line with the March estimate, group pre-tax profit of Dublin based cinema proprietors, Green Group, expanded from £188,709 to £384,298 in the year to October 31, 1975, including an exceptional credit of £42,815 (nil).

Stated earnings per 20p share advanced from 16.06p to 33.98p and the dividend, already known, is raised from 8p to 13p gross.

A one-for-one scrip issue is proposed, after which the shares will be consolidated into 40p shares, and thereafter divided into shares of 10p.

Tax absorbs £185,537 (£91,480) leaving an attributable balance of £198,441 (£979,737 including £884,508 extraordinary items).

UMMARY OF THE WEEK'S COMPANY NEWS

ke-over bids and mergers

Following the previous week's assertion from the Artagen erties Board that the company's shares are worth at least each, Sun Life responded last Monday by raising its cash for the two-thirds of the issued Ordinary shares not already ed by 11p to 84p per share; this values the whole equity at a. However, the new terms have been rejected by Artagen he grounds that they take no account of the value, estimated 4p per share by Artagen, of the £40m. of cheap long-term ey which Sun Life is committed to lend to Artagen. Sun Life, he other hand, considers its terms fully reflect the value of funding agreement and Artagen's asset revaluation of 89p per e. Kuwaiti interests are thought to have recently increased r stake in Artagen to some 7 per cent. and there has been e speculation in the stock market on the possibility of a ter-offer from this quarter or a further upward revision in Sun Life terms.

Waite and Son, the property investment and lampshades and age concern, has received a 90p a share cash offer, worth a l of £2.9m., from **Fairzone**, a private company controlled by Waite chairman, his associates and family interests. The ns are recommended by the independent directors of Waite. **New Providence Securities**, which has a 47 per cent. shareling in Waite, has yet to declare its intentions. Talks regarding ossible offer of 80p per Waite share from Meru Group were minated recently due to opposition from New Providence.

J. Coral, the bookmakers and leisure group, has purchased **h Property Trust's** 39.7 per cent. stake in **Brighton and Hove** lium at 56p cash per share, leaving **Brighton and Hove Albion** thall Club and Ladbroke, the initial contenders for this shareling, out in the cold with their respective offers of 47p and Coral is extending the 56p cash offer to other shareholders Brighton and is also offering a share-exchange alternative of Coral shares for every eleven of Brighton, currently equivato about 52p per Brighton share.

Barrow Milling, through the purchase of a further 13.3 per t. of the equity of **Bolands** at 46p per share, has succeeded in ning control of the latter, despite strong opposition from the ands Board. Together with acceptances to date and previous chases, BM now has over 50 per cent. of the Bolands equity: has now increased its cash alternative to 46p per Bolands.

Warren Tea has raised its stake in **Peacock Sasini Estates** to per cent. with the acquisition of further shares at 44p each. ccordance with the City Take-over Code, a cash offer at 44p is ng made for the rest of the Peacock equity.

The Monopolies Commission report on **Amalgamated Indus-**'s planned take-over of **Herbert Morris** strongly opposes any rger between the two parties as being against the public erest. The Commission also states that AI, which had built up a near-40 per cent. shareholding in Morris, should be made to sell sufficient shares to reduce it stake to below 10 per cent. **Sandhurst Marketing**, which announced four months ago that bid discussions were being held, has now declared that the talks have proved abortive.

Company bid for	Value of bid per share k	Market price k	Price before bid	Value of bid (£m's) k	Bidder	Final Acc'tce date
Prices in pence unless otherwise indicated.						
Anthony Carrimore	53	33‡	32‡	5.0	Edbro (Hldgs.)	—
Artagen Props.	84*d	84	66	31.4*d	Sun Life	—
Ashbourne Invs.	21*	41‡	41‡	1.8*	Incentive Invs.	—
Assam Cons.	22½	18‡	18‡	0.3	Hampton Tst.	—
Baird (Hugh)	37d	36½	17½	1.9d	Manbre & Grtn.	—
Bolands	46b	40	20	3.6b	Barrow Milling	—
Brighton & Hove Stadium	56bd	55	53	0.5bd	J. Coral	—
British-American Tobacco	—	373	375	1,065e	Agreed merger	—
Tobacco Secs. Tst.	—	295	195			
Do. Defd.	—	£11¾	762			
Broxlea Hldgs.	25*	27	16	0.2*	A. F. Bulgin	—
Burton (M.) Prop.	75*d	74	48½	3.9*d	Burton Group	—
Cathay Secs.	30*d	31	18	5.0*d	Bowater Corp.	—
Clark & Fenn	75b	72	38	4.1b	Trafalgar Hse.	—
Dares Estates	2*d	12‡	12‡	0.05*d	Privte. Constm.	—
East and West Inv. Trust	55*d	52	53	1.3*d	Latham	—
E. Sussex Engrg.	30*d	30	22½	1.9*d	Aurora Hldgs.	—
First Finsbury Tst.	35*d	33	19	0.8*d	J. D. Hutchison (U.K.)	—
Hardman (Thos.)	25*d	204	11	0.2*d	Scapa Group	—
Indonesia Cons.	14*d	13	8	2.2*d	Bowater Corp.	—
Jeavons (E. E.)	53	58	61	1.6	Pentos	—
Jetinga	80½	80	50	0.2	Camellia Invs.	—
Marshall (Thos.) Invests.	91	86	73	4.4	Wm. Baird	—
Marshall's Univ.	116½*d	130	132	1.8*d	W. of Eng. Tst.	—
Maybrook Props.	47*	43	32	1.9*	Croudace Holdings	—
New Bridge Hldgs.	36	25	35	0.06	Harcourt Irish Hldgs.	—
New Ireland Assce.	110*d	121	98	3.8*d	PMPA Insur.	—
Peacock Sasini	44*d	44g	47	0.6*d	Warren Tea	—
Perak River	450*d	433	383	8.1*d	Government of Malaysia	—
Reed (Wm.)	33*d	34	29	0.5*d	Fergsn. Secs.	28/5
Rosehaugh Co.	22*d	14	15	0.2*d	Patchley Inv.	—
Second Scottish Inv. Trust	75	73	85	43.2	Scot. Inv. Tst.	—
South West Africa	175b	173	135	3.7b	Kiln Products	—
Stigwood (R.)	50*d	47½	41½	3.8*d	Polygram	—
Thermal Syndicate	85*	86½	66	4.5*	Int. Combustn.	—
Wade (C.) Ord.	10*d	9½	9½	0.14*d	Derby & Co.	—
Wade (C.) 'B' Ord.	90*	87	85	2.9*	Derby & Co.	—
Waite & Son	10*d	9½	9½	0.17*d	Fairzone	—
Warwick Eng.	26	22	21	1.6	Gidney Ind. Invests.	—

* All cash offer. b Cash alternative. e Partial bid. d For capital not already held. e Combined market capitalisation. f Date on which scheme is expected to become operative. g Based on 28-5-76. k Based on 27-5-76. ‡ At suspension. † Bid.

PRELIMINARY RESULTS

Company	Year to	Pre-tax profit (£000)		Earnings* per share (p)		Dividends* per share (p)	
Bainbridge (Egs.)	Mar. 31	137r	(107)‡	4.0	(4.1)	1.525	(1.4)
Bradwall (F.M.S.)	Dec. 31	304	(465)	4.1	(5.9)	2.211	(2.01)
Brunning Group	Mar. 31	380	(196)	5.5	(2.4)	2.925	(1.884)
Capper-Neill	Mar. 31	2,761	(1,408)	9.5	(5.3)	2.574	(2.376)
Castings	Mar. 31	454	(428)	4.0	(4.0)	1.95	(1.8)
Central & Shrwd.	Dec. 31	2,207	(1,905)	2.2	(2.3)	1.916	(1.844)
Central Province	June 30	227	(122)	1.2	(2.4)	0.928	(0.868)
Chesterfield Prps.	Dec. 31	800	(1,035)	6.4	(5.6)	3.349	(2.88)
Alfred Clough	Feb. 1	172†	(292)‡	7.3	(11.7)	3.23	(2.285)
Courtaulds	Mar. 31	48,300	(118,200)	9.6	(30.4)	6.107	(5.597)
Craig & Rose	Dec. 31	150	(245)	60.5	(106.0)	19.51	(17.790)
George Doland	Jan. 31	186	(170)	2.5	(2.3)	1.251	(1.138)
Duncan & Goodrke	Dec. 31	1401	(452)	11.2	(36.1)	20.0	(17.738)
Alfred Dunhill	Mar. 31	7,266	(6,171)	40.8	(33.3)	7.095	(6.437)
E. Midland Allied	Mar. 27	725	(677)	6.1	(5.2)	2.6	(2.248)
Exchange Telegr.	Mar. 31	1,313	(984)	8.2	(5.5)	4.408	(4.048)
Feb International	Dec. 31	240	(203)	2.4	(2.0)	1.33	(1.33)
Fdrated. Chemical	Dec. 31	501	(1,547)	2.0	(5.4)	2.993	(2.754)
Fine Art Dvlpts.	Mar. 31	2,768	(2,264)	3.3	(2.9)	1.109	(1.015)
Intnl. Combustion	Dec. 31	906	(477)	—	(—)	0.65	(0.65)
Intnl. Paint	Mar. 31	15,472	(10,496)	90.2	(65.9)	8.867	(8.132)
Jamaica Sugar	Sept. 30	351	(82)	9.4	(1.6)	4.0*	(Nil)
Maurice James	Dec. 31	370	(345)	3.4	(3.3)	2.574	(2.412)
E. Jones (Cntctrs.)	Dec. 31	120	(179)	1.4	(2.4)	0.913	(0.83)
Thomas Jourdan	Dec. 31	54L	(188)	—	(2.0)	0.65	(1.39)
L. Lipton	Dec. 31	66	(401)	0.1	(9.8)	1.0	(2.4)
William Press	Dec. 31	4,425	(3,153)	5.1	(3.1)	1.265	(1.105)
Pritchard Servs.	Dec. 28	1,447	(1,272)	3.2	(2.7)	1.209	(1.112)
J. & L. Randall	Dec. 31	1,709e	(1,273)†	9.1	(5.8)	1.72	(1.29)
Reed International	Mar. 31	37,400	(35,400)	14.3	(15.4)	11.078	(10.253)
H. Samuel	Jan. 31	8,398	(7,550)	19.5	(16.5)	5.3	(4.8)
Sangers	Feb. 29	1,880	(916)	10.8	(5.8)	5.28	(4.801)
Spink and Son	Dec. 31	339	(564)	22.5	(21.3)	4.826	(4.528)
Stylo Shoes	Jan. 31	262L	(709)	—	(6.2)	0.7	(1.4)
Teacher (Distlrs.)	Jan. 31	2,853	(1,815)	36.4	(18.5)	9.75	(8.215)
Transparent Paper	Apr. 3	414g	(1,202)h	2.6	(10.9)	4.02	(3.695)
Wheatsheaf Dist.	Feb. 28	3,911	(2,954)	13.1	(12.5)	5.05	(4.48)
Geo. Wills	Dec. 31	250	(892)	3.2	(10.8)	1.265	(1.17)

INTERIM STATEMENTS

Company	Half-year to	Pre-tax profit (£000)		Interim dividends* per share (p)	
Allied Lndn. Prps.	Dec. 31	391	(385)	0.513	(0.513)
Asse. Engineering	Mar. 31	9,100	(6,500)	1.1	(1.0)
Avon Rubber	Mar. 27	800	(762)L	1.0	(—)
Barton Transport	Mar. 31	87§	(45)L	—	(—)
Bass Charrington	Apr. 10	28,200d	(23,600)	1.463	(1.348)
BOC International	Mar. 31	29,571	(20,882)	1.1	(0.91)
Bolton Textile	Oct. 31	152	(303)	—	(—)
Brooke Tool Eng.	Mar. 26	8	(35)L	—	(—)
Matthew Brown	Mar. 31	917	(857)	0.91	(0.83)
Caravans Intnl.	Feb. 29	551	(363)L	1.0	(0.2)
John Carr	Mar. 31	1,004	(857)	0.55	(0.5)
Carr's Milling	Feb. 28	585	(813)	0.8	(0.73)
Dubilier	Mar. 31	291	(289)	0.44	(0.4)
Fitzwilton	Dec. 31	1,701L	(1,449)	Nil	(2.0)*
Gomme Hldgs.	Jan. 30	1,017	(224)	1.613	(1.467)
Greenall Whitley	Mar. 26	3,301	(2,327)	1.067	(0.902)
Hay's Wharf	Mar. 31	581	(1,537)	1.293	(1.293)
Homfray	Apr. 3	1,453l	(1,128)k	1.313	(1.313)
House of Fraser	May 1	524La	(1,774)	—	(—)
Intnl. Computers	Mar. 31	10,490	(7,785)	0.65	(Nil)
K. Shoes	Mar. 31	1,141	(1,327)	0.77	(0.77)
Leeds & Dst. Dyrs.	Mar. 31	288	(105)	0.903	(0.816)
Ley's Foundries	Mar. 31	1,972b	(1,379)c	1.05	(1.05)
Marley	Apr. 30	7,387	(3,849)	1.5	(1.5)
Morgan Crucible	Mar. 28	1,443f	(1,092)	—	(—)
N. British Steel	Apr. 10	412d	(312)	0.5	(0.405)
Spooner Inds.	Mar. 31	235	(210)	0.52	(0.52)
Stenhouse Hldgs.	Oct. 30	2,990	(2,063)	—	(—)
Whmpton & Ddly.	Mar. 31	2,282	(1,838)	1.5	(1.3)
York Trailer	Mar. 31	177f	(274)	—	(—)

(Figures in parentheses are for corresponding period.)

Dividends shown net except where otherwise stated

* Adjusted for any intervening scrip issue. † For 13 months. ‡ For 12 months. § For 24 weeks. ¶ Gross. a For 13 weeks. b For 27 weeks. c For 26 weeks. d For 28 weeks. e For 15 months. f For 8 months. g For 33 weeks. h For 32 weeks. l Net. j For 9 months. k For 6 months. L Loss.

Rights Issues

Bejam Group: One-for-five at 58p each.

Booth (International Holdings): One-for-three at 35p each.

William Press and Son: One-for-four at 21p each.

Scrip Issues

Castings: One-for-three.

Marley: One-for-two.

Offers for sale, placings and introductions

Scottish Agricultural Securities Corporation: Issue £2m. 14 per cent. Debenture Stock 1993 at £95½ per cent.

Wilson Walton Engineering: Offer for sale 1.75m. Ordinary 10p shares at 47p each.

Perak Hydro ahead

Operating profit of **Perak River dro Electric Power Co.** in-ased from £1.1m. to £1.38m. in half year ended January 31, '6, and at the net taxed level balance came through at 4,033, against £475,088. Units d during the period at 491m. rwed a reduction of 8.34 per nt.

It was announced earlier this nth that the Government of laysia controlled 52.3 per cent. the total voting rights of the npany and intended to make h offers to the remaining lders holders on the basis of p cash for each Ordinary and p cash for each 3.5 per cent. iference share.

The official document in connen with the offer shows that the laysian Government now has 9 per cent. of the voting rights. The U.K. directors, supported by G. Warburg and Co., unaniously recommend acceptance of offers. First closing date is ne 18.

An unchanged interim dividend 5.6p net per £1 share has alady been paid—the total for the evious year was 17.5p paid from t attributable profits of 39,574.

The directors point out that venue and expenditure in laysia in both periods have en converted at the rate ruling May 14, 1976.

The directors say present conditions make it difficult to forecast the full year outcome but profits should benefit from relocation of chair design associates, exports, and improvement in demand for office equipment products in general.

Reckitt set for record

MR. A. M. MASON, chairman of **Reckitt & Colman**, told the AGM that information for the opening months of the current year demonstrate that the main operating units were in good shape, and taking full advantage of better trading conditions in the market place.

He therefore had "every confidence" that the company, with its large overseas interests, would achieve in 1976 another record year—not only in sales and operating profits but also in earnings per share.

Caplan Profile

Despite an increase in turner from £1.37m. to £1.53m. pro- of **Caplan Profile Group** fell m £292,808 to £201,611 in the months to February 29, 1976. fore tax of £104,840 compared h £152,260.

Earnings are shown to be down m 4.68p to 3.23p per 10p share. e interim dividend is held at net—last year's final was 9p.

Fothergill on target

Mr. J. A. Jordan, chairman of **Fothergill and Harvey**, said at the annual meeting that in view of the economic situation the directors expected to see profits for the first half of the current year to be about in line with the second half of last year. Based on the first four months of 1976 "we are on target."

While some areas were proving slower to pick up than others there were definite signs of improvement which should result in higher profits in the second half, he added.

Ellerman turns in £8.8m.

TRADING PROFITS of **Ellerman Lines** fell from £8.13m. to £4.65m. in 1975, but taking in a higher share of associates' profits, and investment income up from £1.23m. to £5m. the pretax balance at £8.8m. comes within 3.5 per cent. of the £9.15m. achieved in 1974. Turnover rose by 19½ per cent. to £98.1m.

At the attributable level profits emerge ahead from £2.94m. to £3.76m. and earnings per £1 share are stated to be up from 87p to 102p. The dividend on the £4m. privately held equity is raised from 4.503p to 4.95p.

For the first half of 1976 the trading outlook is for a slowly improving shipping and transport profit, an unchanged brewing and investment performance, and a rather flat six months for travel. Mr. Dennis Martin-Jenkins, the chairman, says indications are that the profit before tax is unlikely to be as high as the £4.3m. for the same period of 1975.

The results for 1975 include a capital profit of £1.71m. on the sale of four ships and investment income included £791,000 capital profit made on the sale of long-standing non-strategic holdings.

The chairman says that J. W. Cameron (the new brewing division which came into the group last September) illustrated the effect of steady earnings during a period when shipping and transport were under such severe pressure.

Referring to the capital expenditure programme the chairman says that this is at an early stage, and the main commitments comprise: three standard cargo ships: two large container ships and their containers; a semi-submersible sub-sea support vessel; and the enlargement of the roll-on/roll-off ship "Hero."

The chairman says that the investment programme is one which can be comfortably sustained but it does mean that "each profit centre in the group, whatever its division, must pay its way, and it follows that some strengthening of existing businesses is still needed."

Contracts for capital expenditure at the year-end stood at £48.48m. (£4.81m.), and in addition there was £1.98m. (£5.14m.) authorised but not contracted for.

A source and application of funds table shows that there was an outflow in net liquid funds of £10.41m. (£2.99m. inflow). At December 31 cash and deposits showed a reduction from £16.78m. to £9.19m., while overdrafts had risen from £0.12m. to £3.36m.

The chairman says the group is in a strong asset position. Shareholders' funds stand at £56m. while he thinks that £18m. deferred taxation can also be fairly regarded as part of funds employed. In addition the trading cash flow is healthy, he adds.

Meeting, 30-32, St. Mary Axe, E.C., June 22 at noon.

Reyrolle Parsons progress

THE Reyrolle Parsons chairman, Mr. J. B. Woodeson, said at the AGM that the input of orders had been very satisfactory in spite of continued intense competition in world markets.

Output was ahead of budget and the level of trading profit had been maintained.

The Government policy on pay and prices had contributed to a period of stability in industrial relations which was "most helpful," and hopefully would continue well into 1977, he said.

The improvement in liquidity, which had been a feature of the last two reports, had continued in 1976 with resultant benefit to the company, Mr. Woodeson added.

Harcros Trust looks for further rise

Harcros Trust is looking for some further increase in income for the year ending March 31, 1977, states chairman Mr. G. O. Peake.

At March 31 last the Trust was fairly fully invested which was felt to be right in the circumstances, but as the year progresses it may be considered prudent selectively to reduce holdings and restore a degree of liquidity.

With the declared policy of maintaining a sizeable interest in the plantation industry—which represented 47 per cent. of the portfolio at the end of March—and many other holdings directly or indirectly earning substantially overseas, the chairman believes the portfolio will stand the Trust in good stead.

As reported on May 12 revenue, before tax, amounted to £451,785 in the year ended March 31, 1976 (£446,710) and the dividend is raised from 1.4p to 1.45p.

Chairman's statement Page 9

Good start by Leaderflush

Resolutions to remove members of the Board of **Leaderflush (Doors)** at two extraordinary meetings held on Thursday were not proposed.

The chairman, Mr. G. M. Simon, criticised the "irresponsible behaviour" of those who called the meetings and who then "did not even have the courtesy to turn up."

He said the company had ended 1975 in a better position than anyone had hoped and that a good start had been made in 1976.

Nottingham Brick upturn

First half profit of **Nottingham Brick** advanced from £60,361 to £136,873, subject to tax of £67,500, against £23,624, on a turnover up from £371,431 to £706,986.

Demand reported last December has been maintained, and this together with full production from the company's two modern brick factories, the new range of bricks and the widening of markets, have contributed to the substantially improved interim results, the directors explain.

The interim dividend is lifted from 3p to 3.3p net. The total for the year to September 30, 1975, was 6.61p from profits of £165,700.

Mid-term advance at Kelsey

IN SPITE of a fall in turnover from £5.97m to £5.3m. pre-tax profit of **Kelsey Industries** finished the six months to March 31, 1976, ahead £118,638 at £624,157.

Earnings per 12½p share are shown to have risen from 5.8p to 7.5p. The interim dividend is held at 1p net—the total for the last full year was 2.63375p from profits of £978,600.

After tax for the first half of £337,000, against £286,000, the net balance emerges £82,658 higher at £287,157.

The company manufactures and sells solder, audio accessories, sealants and mastic compounds and operates as contractors of industrial roofing and insulation.

WALL STREET + OVERSEAS MARKETS + CLOSING PRICES

Rally follows OPEC decision

BY OUR WALL STREET CORRESPONDENT

NEW YORK, May 28.

NEWS that Arab oil producers would maintain world oil prices at current levels helped trigger a brisk rally on the New York Stock Exchange to-day.

The market actually had been moving higher before the oil price announcement due in part to a decline in U.S. statistics for weekly money supply reported late on Thursday. But the oil development was a relief for the market as most experts had been predicting a modest price rise.

Instead, OPEC said it had decided to leave prices unchanged because member nations could not reach a compromise on a price increase.

The Dow Jones Industrial Index rose 9.66 to 975.23, while the NYSE Common Stock Index gained 0.42 to 53.31. Advances led declines, 937 to 460. Turnover amounted to 16.86m. shares. The Stocks Index rose 2.56 to 300.30 while the Transport Index gained 1.61 to 212.96. Utilities edged 0.35 higher to 85.28.

Oil shares were among the best performers, with Exxon Corp. ahead $1 at $100⅞, Cities Service up $1¾ at $48⅞, and Phillips Petroleum $1⅝ better at $58¼.

Dow Chemical added $1¼ to $98¾, reversing a recent downtrend and Du Pont followed suit rising $1⅛ to $151⅛. IBM rose $3⅝ to $257⅛. Digital Equipment gained $3⅛ to $162¾, International Paper was $1⅛ up at $73⅛, Hewlett-Packard put on $2⅜ to $104⅞, and Revlon was up $1⅛ at $75.

U.S. Steel picked up $1¼ to $79. Motors were fractionally mixed.

Prices on the American Stock Exchange advanced in moderate trading. The Amex index rose 0.63 to 103.16, while advances topped declines, 367 to 253. Turnover amounted to 2.10m. shares against 1.73m. on Thursday.

FRIDAY'S ACTIVE STOCKS

	Stocks traded	Closing price	Change on day
Texaco	395,700	26⅜	−⅛
Marcor Inc.	265,900	37	+1
Dow Chemical	256,100	98¾	+1¼
Nwst Airlines	248,100	29⅞	−⅛
Gulf Oil	197,700	25⅛	+⅛
Gen. Motors	186,300	68⅞	−⅛
Am Tel Tel	177,400	54⅛	−⅛
Kresge SS	171,600	35⅛	−⅛
Congoleum Corp.	157,200	15	−⅛
Am Home Prod.	151,100	32⅞	+⅛
Weyerhaeuser Co.	140,700	46⅞	—

OTHER MARKETS

Canada higher

Canadian stocks rallied slightly late in the day to close higher in moderate trading. The Toronto Industrial Index rose 0.13 to 190.91 and Western Oils gained 0.85 to 241.66 after being ahead well over two points earlier. But the Golds Index slipped 1.23 to 289.34.

PARIS—The market was firm with no special factors influencing business. Oils led most sectors higher with Banks and Stores steady while Electricals, Engineering and Chemicals were mixed. Metals eased slightly.

BRUSSELS—The market was closed to allow traders a rest after the holiday.

AMSTERDAM—Shares firmed slightly in quiet conditions, with Dutch Internationals gaining ground. Gains elsewhere were led by HVA, HAL, Heineken and the major banks. Isolated declines against the trend included Giessen, KLM and Fokker. State loans edged higher.

ZURICH—Shares closed moderately lower in active selective trading. Financials rose against the general trend with Bally up Fr.20 and Oerlikon-Buehrle Registered and Juvena Bearer sharply higher on buying support.

FRANKFURT—Speculative and instiutional buying lifted shares, which earlier in the week had touched 1976 lows. Banks headed the market gains. Daimler was up DM4.60 and Manesmann rose by DM6.30. Otherwise, gains were confined to DM1-DM3.

COPENHAGEN—The market was mixed to lower in moderate dealings.

OSLO—Industrials, Banking and Insurances were quiet, while shippings were slightly steadier.

MILAN—The market closed mixed to higher in slack trading, with many operators taking a long holiday week-end. Trading was further restricted by scattered bank staff strikes. Fiat, Bastogi, Pirelli Spa and Olivetti Ordinary gained while Snia Viscosa, Assicurazioni Generali and Olivetti Privileged lost ground.

VIENNA—Steady in light volume.

TOKYO—Shares prices on the Tokyo Stock Exchange registered gains across the board with the averages all higher.

JOHANNESBURG—Gold shares were firmer on the stock exchange reflecting renewed interest both on London and local account. The initial hectic trading subsided and some profit-taking set in during late morning. However, most stocks ended higher.

AUSTRALIA—Prices fell in moderately active selling. Queensland Mines closed 7 cents lower at $A2.18 after announcing a one-for-three Rights issue. Its 50 per cent. share-holder Kathleen Investments fell 3 cents to $A1.36, while Pancontinental lost 50 cents to $A9.30. BHP was unchanged a $A7.62.

Indices

NEW YORK—DOW JONES

	May 28	May 27	May 26	May 25	May 24	May 21	1976 High	1976 Low	Since compilat'n High	Since compilat'n Low
Industrials	975.23	965.57	968.65	971.88	971.55	990.75	1,011.02 (21/4)	858.71 (2/1)	1051.70 (11/1/73)	41.22 (8/7/32)
Home Bonds	72.20	72.35	72.53	72.58	72.33	72.21	75.60 (22/4)	68.11 (2/1)	—	—
Transport	212.96	211.35	212.02	211.99	214.76	216.75	220.91 (11/5)	175.69 (2/1)	279.88 (7/2/69)	13.23 (8/7/32)
Utilities	85.28	84.93	84.80	84.82	85.54	85.54	91.90 (4/2)	84.80 (25/5)	165.32 (20/4/69)	10.58 (28/4/42)
Trading vol 000's	16,856	15,510	16,750	18,770	16,560	18,750	—	—	—	—

	May 21	May 14	May 7	Year ago (approx.)
Ind. div. yield %	3.80	3.77	3.72	4.61

STANDARD AND POORS

	May 28	May 27	May 26	May 25	May 24	May 21	1976 High	1976 Low	Since compilat'n High	Since compilat'n Low
Industrials	112.88	111.74	111.72	111.81	111.79	113.90	116.57 (24/3)	101.64 (2/1)	134.54 (11/1/73)	3.52 (30/6/32)
†Composite	100.18	98.55	99.54	99.49	99.44	101.26	104.51 (6/4)	90.90 (2/1)	120.24 (11/1/73)	4.40 (1/6/32)

	May 27	May 19	May 12	Year ago (approx)
Ind. div. yield %	3.49	3.42	3.36	3.76
Ind. P/E Ratio	15.42	15.73	15.94	10.50
Long Govt. Bond yield	5.90	5.85	5.79	5.89

N.Y. S.E. ALL COMMON

May 28	May 27	May 26	May 25	1976 High	1976 Low
53.31	52.89	52.91	52.88	55.28 (5/4/76)	47.06 (2/1/76)

Rises and Falls May 28

Issues Traded	1,790	Up	937
Down	460	Same	393
New Highs	31	New Lows	39

MONTREAL		May 28	May 27	May 26	May 25	1976 High		1976 Low	
	Industrial	200.41	199.57	201.25	202.91	207.55	(18/5)	176.62	(2/1)
	Combined	194.15	193.88	195.29	196.19	199.76	(20/5)	173.67	(2/1)
TORONTO	Industrial	190.91	190.78	191.81	192.47	197.46	(20/2)	178.91	(2/1)
JOHANNESBURG	Gold	201.2	(c)	195.0	196.6	229.7	(12/4)	174.4	(5/4)
	Industrials	212.4	(c)	212.6	213.5	216.0	(21/5)	198.6	(5/4)

	May 28	Previous	1976 High	1976 Low
Australia (a)	467.80	467.21	474.91 (12/5)	440.52 (6/1)
Belgium (b)	—	99.68	115.12 (6/2)	99.68 (25/5)
Denmark (d)	106.80	107.1	107.79 (27/1)	100.20 (10/6)
France (e)	66.1	66.7	74.5 (5/3)	66.1 (13/5)
Germany (f)	739.8	736.1	821.7 (17/6)	736.0 (20/5)
Holland (g)	—	94.2	106.5 (6/2)	94.1 (26/5)
Hongkong (h)	381.33	382.46	465.53 (17/5)	304.50 (2/1)
Italy (k)	76.06	75.68	91.37 (25/2)	72.2 (4/5)
Japan (m)	343.94	340.71	344.51 (24/5)	326.2 (6/1)
Singapore (n)	252.61	253.00	266.16 (5/2)	236.5 (2/1)
Spain (p)	92.50	92.67	104.78 (7/5)	86.45 (1/6)
Sweden (q)	—	459.16	476.98 (10/5)	394.85 (19/1)
Switzerl'd (r)	276.3	279.4	298.5 (12/5)	279.2 (26/5)

Indices and base dates (all base values 100 except NYSE All Common—50, and Standards and Poors 10; (a) Sydney All Ord. (b) Belgian SE 31/12/63. (d) Copenhagen SE 1/1/73. (e) Paris Bourse 1961. (f) Commerzbank December, 1953. (g) Amsterdam Industrial 1970. (h) Hang Seng Bank 31/7/64. (k) Milan 2/1/73. (m) Tokyo New SE 4/1/68. (n) Straits Times 1966. (p) Madrid SE 31/12/74. (q) Stockholm Industrials 1/1/58. (r) Swiss Bank Corp. 31/12/58. (u) Unavailable. ‡ Excluding bonds. * 425 Industrials. † 425 Inds., 50 Utilities and 25 Rails. (c) Closed.

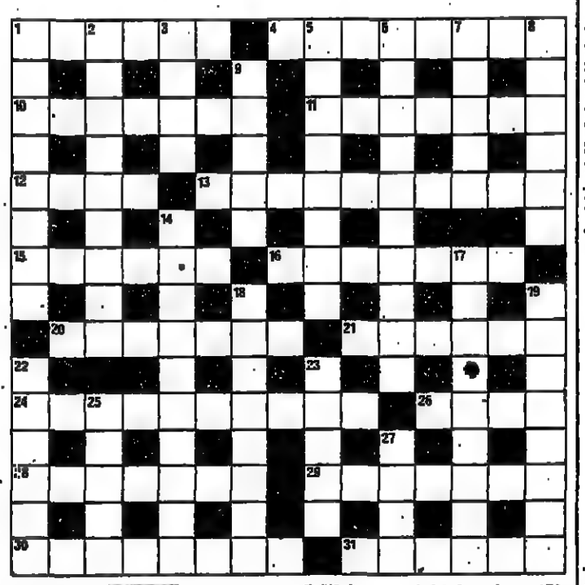
F.T. CROSSWORD PUZZLE No. 3,092

A prize of £3 will be given to each of the senders of the first three correct solutions opened. Solutions must be received by next Thursday, marked Crossword in the top left-hand corner of the envelope, and addressed to the Financial Times, 10, Cannon Street, London, EC4P 4BY. Winners and solution will be given next Saturday.

Name ....

Address ....

....



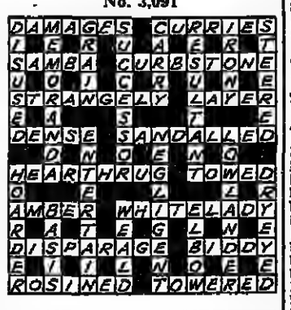
ACROSS

- 1 Extremely early beginner left page (4, 2)
- 4 Promotes members of pack (8)
- 10 London's Chinatown (7)
- 11 Bon viveur tells heroic tale on river (7)
- 12 First man to notice morning (4)
- 13 For the best fair also (4, 2, 4)
- 15 Cook heard in a lot of bars (6)
- 16 *Order a right cooker* (7)
- 20 Article repeated before one like a liar (7)
- 21 Split can opener on holiday (6)
- 24 Favourable moment to be gallant loser (4, 6)
- 26 First-class sex-appeal returns to region (4)
- 28 Compose lightweight article on philosopher (7)
- 29 Scratch a social misfit (4-3)
- 30 Name may get a mention (8)
- 31 Clergyman before going to worship (6)

DOWN

- 1 Give and take on the stock market (8)
- 2 Part of plans for promotion (9)
- 3 Band to make South Africa keep quiet (4)
- 5 Upset concerning variety act (8)
- 6 Holiday firmly established in Kent (10)
- 7 Wake up right by river (5)
- 8 Very hard way to eastern cathedral (6)
- 9 U.K. Pat says drunkenly is done for (5)
- 14 Boards depressed by deposits (6, 4)
- 17 Pleased one bit of jewellery is in the bag (9)
- 18 Graduate caught over song by priest of wine (8)
- 19 Kind of wit that's about average on driving ground (8)
- 22 *Encourages poacher to join* boy (4, 2)
- 23 A poem written by Pole (5)
- 25 Bad feeling caused when platform loses initial parking sign (5)
- 27 Please attend to my needs in vault (4)

SOLUTION TO PUZZLE No. 3,091



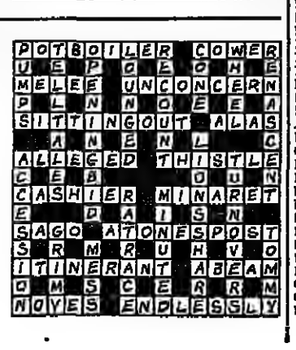
SOLUTION AND WINNERS OF PUZZLE No. 3,086

Following are the winners of last Saturday's prize puzzle:

Mrs. Clare Pugh, 65, Upper Marsh Road, Warminster, Wiltshire.

Mr. R. A. Stedman, Parsonage Farm, Boxford, near Colchester, Essex.

Mr. K. A. Weymouth, 9, Mornington Close, Andover, Hants.



RACING **BY DOMINIC WIGAN**

Carson looks good on Burma Pink

BURMA PINK, who followed up a maiden stakes victory at Leicester in April by defeating Mandate and 12 others in Salisbury's Dorset Handicap early this month, carries only 7 st. 7 lbs, in to-day's Cecil Frail Stakes at Haydock, and I do not intend opposing him.

Guy Harwood's grey Gulf Pearl colt—to be ridden by Britain's best lightweight jockey, Willie Carson for the first time—has been improving steadily in recent months, and it is easy to visualise him becoming a high-class handicapper.

Receiving 15 lb. from the Mecca-Dante Stakes runner-up, Gunner B. and 18 lb. from Obstacle, the Pulborough three-year-old seems to have a chance second to none.

Half an hour later Carson rides the recently-disappointing Private Line in the William Hill North-Western Stakes.

This Queen's Hussar colt could give his supporters a good run for their money, if reproducing the form which enabled him to beat Pascualete in the Queen Elizabeth Handicap at Kempton six weeks' ago. But his recent poor showing in the Johnnie Walker Handicap at Lingfield suggests that he may have lost his edge, and I prefer the top-weight *All Hope*.

Mr. David Robinson's French-bred colt did well the last time out when matching strides with Navigator and Meritable for seven furlongs in the Ladbroke Blue Riband Trial at Epsom recently.

At Kempton, a 4 lb penalty for a six lengths Newmarket victory should not prevent *Petit Pretendre* from landing the H. S. Persse Memorial Stakes. The lightly-raced and improving Whiskey Mountain appeals as a sound bet for the closing event, the Skylark Stakes.

Looking ahead to Royal Ascot, which begins on June 15, 24 have stood their ground at the first declaration stage for the Gold Cup. The acceptors for the meeting's feature event which carries £25,000 in added prize money, include Bruni, May Hill, Crash Course, Sea Anchor and last year's winner, Sagaro.

Lester Piggott, who had such a comfortable ride on Sagaro a year ago, has not ridden Mr. Gerry Oldham's colt since deserting him for Dahlia in the Grand Prix de Deauville at the end of August. It will be interesting to see if he will be reinstated for this race which he has won six times.

HAYDOCK

1.45—Glo
2.15—Burma Pink***
2.45—All Hope
3.15—Shy Meld
3.45—Mr. Bigmore
4.15—The Andrestan*

KEMPTON

2.00—De Milo
2.30—Glensilver
3.00—Petit Pretendre
4.00—Royfern
5.00—Whiskey Mountain**

DONCASTER

2.00—Musical Piece
2.30—Future Forest
3.00—Streaker King

Loco deal

Becorit of Nottingham, manufacturer of mining equipment, has won a £400,000 contract to supply locomotives and equipment to Kaiser Resources of Canada, and hopes to sign a contract of similar value with the West German mining industry in the near future.

Deliveries to Canada are expected to begin in mid-June and a locomotive on display at an international mining equipment exhibition at Dusseldorf is expected to be part of the German deal.

SPAIN ♥

May 28	Per cent.	
Asland	250	—
Banco Lopez Quesada	394	—
Banco Bilbao	758	+ 5
Banco Atlantico (1,000)	369	—
Banco Central	349	—
Banesto (250)	529	− 3
Banco Exterior	328	+ 2
Banco General	260	—
Banco Granada (1,000)	452	—
Banco Hispano	497	+ 5
Banco Iberico	347	+19
Induban	410	—
Banco Ind. Cat. (1,000)	432	− 5
Banco Mercantil (1,000)	305	—
Banco Occidental	479	− 9
Banco Popular	330	− 5
Banco Santander (250)	324	− 2
Banco Urquijo (1,000)	309	− 1
Banco Vizcaya	635	—
Banco Zaragozano	349	—
Bankunion	364	—
Banus Andalucia	[illegible]	—
Altos Hornos	162.50	—
Babcock Wilcox	119	—
CIC	387	—
Dragados	670	− 2
Inmobanif	130	—
E. I. Aragonesas	125	—
Espanola Zinc	215	—
Expl. Rio Tinto	275	− 4
Fecsa (1,000)	114.50	− 3.5
Fenosa (1,000)	115.50	− 1
Finanzauto SA	358	+ 7
Finanzauto Servicios	350	− 1
Gal. Preciados	358	—
Grupo Velazquez (400)	246	+ 3
Hidrola	127.50	− 0.50
Iberduero	155.25	+ 2.75
Motor Iberica	255	—
Olarra	656	—
Papeleras Reunidas	314	+ 6
Petroliber	258	—
Petroleos	517	− 3
Sarrio Papalera	217	+ 2
Sniace	99	—
Sonefisa	265	—
Telefonica	166	− 2
Torras Hostench	380	− 3
Tubacex	377	—
Union Elec.	115	+ 1.50
Union y Fenix	513	+ 3
Urbis	196	− 2

NOTES: Overseas prices exclude $ premium. Belgian dividends are shown after withholding tax.

♦ DM50 denom. unless otherwise stated. ♣ Kr 100 denom. unless otherwise stated. ♥ Ptas.500 denom. unless otherwise stated. ⊕ Frs 500 denom. unless otherwise stated. ‡ Yen 50 denom. unless otherwise stated. § Price at time of suspension. a Florins. b Schillings. c Cents. d Dividend after pending rights and/or scrip issue. e Per share. f Francs. g Gross div. %. h Assumed dividend after scrip and/or rights issue. k After local taxes. m % tax free. n Francs including Unilac div. p Nom. q Share split. s Div. and yield exclude special payment. t Indicated div. u Unofficial trading. v Minority holders only. y Merger pending. * Asked. † Bid. § Traded. ‡ Seller. z Assumed. xr Ex rights. xd Ex dividend. xc Ex scrip issue. xa Ex all. ∆ Interim since increased.

OVERSEAS SHARE INFORMATION

Investment premium based $1.80 per £1 — 117½% (115¾%)

NEW YORK

CANADA

GERMANY ♦

MILAN

AUSTRALIA

BRUSSELS/LUXEMBOURG

PARIS

TOKYO ‡

SWITZERLAND ⊕

AMSTERDAM

JOHANNESBURG

COPENHAGEN ♣

STOCKHOLM

OSLO ♣

VIENNA

APPOINTMENTS

Changes at James Buchanan

Mr. F. L. Darton, senior export director of JAMES BUCHANAN AND CO., retires on May 31 after more than 46 years with the company.

Mr. K. C. H. Hodge and Mr. J. A. Mackenzie have been appointed to the Board. Mr. Hodge joined the company in 1954 and has been responsible in recent years for export administration at its blending and bottling plant at Stepps, near Glasgow. Mr. Mackenzie, who has been with James Buchanan since 1966, has been responsible for sales in Europe, Scandinavia, the Middle East and Far East. Both will in future be based in London.

Mr. T. M. Absalom has been appointed finance director, Mr. A. E. Tanner, production director, and Mr. P. E. Turner, marketing director of BURRUP MATHIESON AND CO. (HOLDINGS), the printing subsidiary of the Extel Group.

*

Mr. S. S. Jardine has been appointed a director of GEORGE WIMPEY AND CO., but will remain managing director of Wimpey Asphalt.

*

Mr. David McWilliam, managing director of Thomas Cook Bankers, has also been appointed to the Board of the THOMAS COOK GROUP. Mr. Ralph Kanter, a member of the Group Board, has been appointed managing director of Thomas Cook Ltd.

*

Mr. D. G. S. Waterstone has been appointed a full-time member of the BRITISH STEEL CORPORATION for five years from June 1. Mr. W. D. Griffiths has been re-appointed a part-time member for a further period of one year from the same date. Mr. Waterstone is managing director, commercial, at BSC's head office in London. Mr. Griffiths, prior to joining the BSC Board in 1970, was employed at Ebbw Vale steelworks and was an employee director of the Board of the then strip mills division.

*

Mr. D. R. Pelly has been appointed to the Board of the MILTON KEYNES DEVELOPMENT CORPORATION in succession to the late Sir Stanley Morton. Mr. Pelly is a director of Barclays Bank, of Barclays Bank International (member of the London Committee) and of Barclays Bank U.K. Management. He has been senior local director for the Bank's Luton district since 1969.

*

Mr. Hugh M. Bone has been appointed director of marketing for ROCKWELL INTERNATIONAL AUTOMOTIVE OPERATIONS in Europe and South Africa. Since joining the company in 1974 as sales manager, Mr. Bone has held the posts of director of brake development, director of strategic planning and director of product engineering and quality.

*

Mr. D. M. Borland has been appointed a non-executive director of UBM GROUP. Mr. Borland is also a director of Cadbury Schweppes.

*

Dr. L. Rotherham, at present Vice Chancellor of Bath University, will join the Board of CHEMRING as a non-executive director from June 1.

*

Mr. D. J. Cade has been promoted from general marketing manager to marketing director, BERNARD WARDLE (EVERFLEX), part of Bernard Wardle and Co.

*

Mr. Tom Ibbotson has been appointed technical director of S. G. BROWN COMMUNICATIONS, part of the Racal Electronics Group. As chief engineer, Mr. Ibbotson has been responsible for technical development since he joined the company in 1961.

*

Mr. M. J. Stickland has been appointed managing director of TOM FERTILISERS in addition to his responsibilities as sales director of Thames Nitrogen Co.

*

Mr. G. Crowther, a senior engineering executive with Tilcon—Tilling Construction Services—has been elected chairman of the BRITISH CONCRETE PUMPING ASSOCIATION. He succeeds Mr. J. B. Oldfield, a director of Greenham Ready Mixed Concrete.

*

Mr. John Howells, at present head of the technical development division of the POST OFFICE data processing service, will succeed Mr. A. N. James, who retires at the end of July, as director of computing operation and development.

*

Mr. R. E. Verguson, of Plessey Hydraulics, has been appointed chairman of the ASSOCIATION OF HYDRAULIC EQUIPMENT MANUFACTURERS. Mr. C. F. Ackerman, of Parker Hannifin (U.K.), becomes vice-chairman.

*

Lord Carr of Hadley has been elected a director of the PRUDENTIAL ASSURANCE COMPANY.

*

Mr. J. F. E. Smith will resign as a director and as chairman of TRANSPARENT PAPER after the annual general meeting on July 27, following his election as deputy-chairman of the London Discount Market Association. He will be succeeded by Lord Kenyon, who has been on the Board of Transparent Paper since 1968, and who is also a director of Lloyds Bank.

*

Sir Peter Kirk, Conservative MP for Saffron Walden, has accepted the chairmanship of INTERCOMMUNICATION (P.R.). He was previously a part-time executive director of the company from 1959-1963 and from 1965-1970 between Ministerial appointments. Sir Peter became leader of the Conservative Party's delegation to the European Parliament in 1973.

*

Mr. J. G. Beevor has retired as chairman and as a director of TILBURY CONTRACTING GROUP and Mr. J. P. S. Edge-Partington has been appointed chairman in succession.

*

Mr. E. M. Chipimo, previously deputy chairman of STANDARD BANK ZAMBIA, has succeeded Mr. J. E. M. Landless as chairman.

*

Mr. J. N. Davenport, managing director of Concrete Industries (Monier), Sydney, and Mr. C. J. Harper, a director and former general manager of Australian United Corporation, Melbourne, have joined the Board of DALGETY AUSTRALIA.

*

Mr. J. Moody, chairman of CENTURY SECURITIES, has resigned from the Board and is to take up the non-executive appointment of president. Mr. Philip J. Moody has resigned as a director. Mr. A. S. Alcock, Mr. T. Archer, Mr. C. E. Marsh, Mr. E. A. Payne and Mr. P. J. Sharp have joined the Board, and Mr. Alcock has been appointed chairman.

*

Mr. S. F. Moore, chief executive of the METRO-FLEX GROUP, has been appointed chairman following the decision of Mr. R. N. Heller to resign from the Board of the British company to concentrate on his role as chief executive of the parent concern, Metro-Flex Grossventilbau AG, Switzerland. Mrs. Patricia Treen, who has been appointed to the group Board, will continue as assistant managing director and deputy chief executive of the British group's subsidiaries.

*

Mr. David N. Vermont, deputy chairman of Sedgwick Forbes Reinsurance Brokers, has been elected chairman of the REINSURANCE BROKERS' ASSOCIATION. Mr. Alan T. Traill, a director of Traill Attenborough, becomes vice-chairman.

*

Mr. Roy Taylor has been appointed commercial director, and Dr. John Stevens technical manager, of DUNLOP IRRIGATION SERVICE. Mr. Taylor was previously manager of the Dunlop Semtex building products division. Dr. Stevens is past senior lecturer in geography (soil science) at Durham University and has undertaken consulting and field work.

*

AIRSCREW HOWDEN, part of the Howden Group, has appointed Mr. Jim Stewart, sales director; Mr. Walter Bates, projects director; Mr. Bob Letts, special director—engineering; and Mr. Peter Hawes, special director—R and D.

U.S. team's search for 'Nessie' starting soon

NEW YORK, May 28.

A U.S. sponsored team of engineers and scientists will soon begin what is claimed to be the most thorough search for the Loch Ness monster so far.

The New York Times, one of the sponsors, said in a front-page story that some of the 24 or so experts taking part will leave this week-end for Scotland.

It described the investigation as the "most thorough and technologically sophisticated to date, into the phenomenon, whatever it is."

Organised by Dr. Robert Rines, a Boston lawyer, the search is co-sponsored by the Academy of Applied Science of Boston.

The researchers and advisers include zoologists from Harvard, Cambridge University, the Smithsonian Institution of Washington, and the British Museum of Natural History, the newspaper said.

"The purpose of the expedition is to obtain, by means of advanced underwater cameras, sonar and other electronics, clear and detailed photographs, so that zoologists can make a positive identification."

Dr. Rines led an expedition last year that took pictures which he said were the most distinct yet of the phenomenon. "We're not going to give up until we've got a solution to the mystery," he added.

Reuter

From BC to EC in 1,900 years

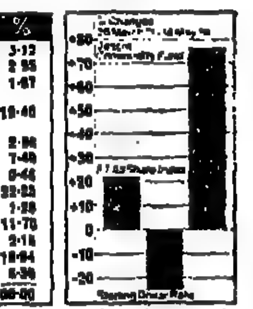
ARCHAEOLOGISTS working near St. Paul's say the site was occupied with few breaks for 19 centuries.

The site is off Newgate Street and its occupants ranged from some of the first Romans to come to Britain to the Post Office which had its headquarters there until it was demolished in recent years.

Excavations are being carried out by archaeologists from the Museum of London under the direction of Mr. Brian Hobley, chief urban archaeologist.

Evidence of habitation in Roman, Saxon Medieval and later periods has been established and Roman levels which indicate occupation from the first century AD to the fourth century AD, are being examined.

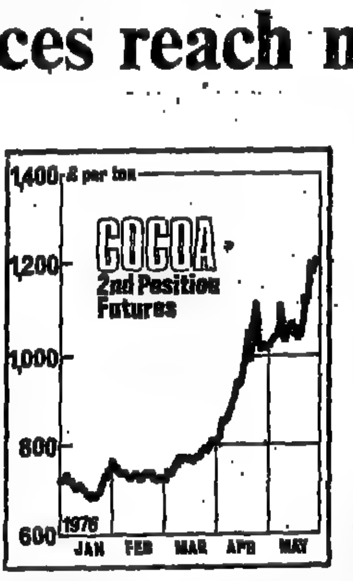
More than 200 skeletons have been found and are being examined at Guy's Hospital to try to establish information about diseases and diet.



COMMODITIES/Review of the week

Cocoa prices reach new peaks

BY OUR COMMODITIES STAFF



COA PRICES soared to new ords on the London futures rket this week. The July ition closed last night at 207.75 a tonne, £84.25 higher n a week ago.

he decline in the value of ling was an important uence in all commodity kets, but the greatest pres- behind steep rises in cocoa es came from tightening in ediately available supplies, ravated mainly by shipping ys affecting deliveries of erian cocoa. Thus the December position on the cocoa futures ket went up by only £19 ing the week, closing last t at £993.5.

igeria had to delay shipments cocoa, originally due for very in the March-May period, ause of shipping problems. is believed to have caused lems for some consumers. e have been rumours of one or company finding itself t of its requirements and hav- to come to the market for r.

ut cocoa prices have tended luctuate wildly at the higher ls, moving from limit up to t down in a few hours of trading.

There are some doubts, efore, as to whether the rd prices can be sustained long in view of the likely depressing effect on demand.

Coffee prices have also continued to move erratically. New peak levels in London were reached during the week, encouraged by the fall in sterling, but the July position last night closed £23.5 a tonne down on the week, at £1,404.5.

Continued U.S. roaster demand was reported during the week, but this was offset by rumours that Brazil had sold at a comparatively cheap price to a major U.S. consumer.

Tin prices reached record levels on the London Metal Exchange on Thursday, three months standard grade trading at £4,500 a tonne at one stage. Yesterday there was a slight setback, but cash tin still ended the week £121 a tonne up, at £4,321, while three months was £136.5 higher, at £4,447.5.

A sharp rise in the Penang market—an indicator of physical demand—set the firm tone in London, which was encouraged also by the fall in sterling and increased currency hedge buying interest.

Penang on Thusday reached $M1,190 a picul — only $M10 below the new Tin Agreement ceiling—but eased yesterday to just over $M1,180, reportedly because of selling by the Tin Council buffer stock.

The pound's weakness also helped a revival in copper prices, cash wirebars closing £31 a tonne up on the week, at £857.75.

Reports of better consumer demand, and a general reluctance to sell in view of the sterling situation, gave a firm undertone in a market which was thought to be rather oversold.

Silver prices also reached new highs, the spot quotation yesterday reaching 262.35p an ounce, up 12.35p on a week ago. Easier sterling, and the rise in gold and base metals, helped to boost silver, U.S. markets setting the pace.

EEKLY PRICE CHANGES

	Latest price per ton unless stated	Ch'ge on week	Year ago	1976 High	1976 Low
als					
inium (a)	£456	—	£396	£456	£420
Market c.i.f.	£475-490	+5	£280-290	£475-490	£340
nony (99.6%)	£1,565	—	£1,450	£1,565	£1,450
Market 99.6%	£2,000-2,100	+62.5	£1,300-400	£2,075-175	£1,512.5
er					
Wire Bars (w)	£857.75	+31	£532.5	£866.5	£674.75
ns Do. Do. (w)	£887.5	+31	£551.25	£891.5	£694.25
Cathodes (w)	£848.5	+31	£522.25	£861.5	£664.25
nths Do. (w)	£877.5	+30.5	£541.5	£886.75	£682.5
per oz	$126.875	—	$168	$140.5	$124.25
Cash £ ton (w)	£273.125	+10.625	£146	£276.5	£165.25
nths £ (w)	£283.5	+10.75	£151.75	£285.375	£170.125
el (a) (w)	£2,552.5	—	£1,880	£2,455	£2,421
Mark c.i.f. lb	$2.05-2.20	—	$1.75-1.9	$2.08-.23	$1.88
num (troy oz)	£88.5-94.5	+2.75	£67-71.5	£88.5-94.5	76.5-81.5
Market per oz	£90.05	+3.95	£64¼-66¼	£90.05	£67
ksilver					
(76lbs)	$82-87	+7	$132-137	$102-107	$75.80
r per oz	262.35p	+12.35	196p	262.35	189.05p
onths per oz	270.35p	+13.85	201.4p	271.1p	193.8p
ash (w)	£4,321	+121	£2,972	£4,342	£3,068.5
onths (w)	£4,447.5	+136.5	£3,011	£4,467.5	£3,126
ram					
on unit	£60¼-62¼	+0.625	£41-42½	£60¼-62¼	£43½-45
Cash (w)	£435	+10.5	£318.5	£451	£334.25
onths (w)	£450.25	+10.875	£305.75	£467.75	£344.75
ucers (w)	$795	—	£360	$795	$795
ins					
ey					
C	£72.25	+0.25	£61	£73.25	£63.45
ne Futures	£70.3	+1.8	£55.15	£72.65	£62.45
ze					
ch No.3 Yellow (American)	£73.75	+1.75	£61.5	£74.75	£65.5
Yellow Flint	‡	—	£60	£76	£73
eat					
. 1 Red Spring	‡	—	‡	‡	‡
. No. 2 Hard Winter	‡	—	£65.45	£94.2	£87.8
ralian	‡	—	‡	‡	‡
. Milling	£77	+0.5	£62	£78.5	£68.5

	Latest price per ton unless stated	Ch'ge on week	Year ago	1976 High	1976 Low
Spices					
Cloves (g)	£3,400	—	£2,350	£3,400	£2,400
Pepper, White (g)	£1,070	-10	£825	£1,090	£910
Black (g)	£885	-10	£620	£895	£710
Oils					
Coconut Malaysian	‡	—	£175	‡	‡
Groundnut 5% (g)	£371	-8	‡	£441	£372
Linseed, Crude (g)	‡	—	£450	£385	£377
Palm Malayan (g)	$352	—	‡	£200	£172
Soyabean Sur'p'n(t)	‡	—	‡	‡	‡
Seeds					
Copra (Philippines) (g)	$220	+2.5	$225	$220	$192.5
Groundnut Nig (w)	‡	—	‡	‡	‡
Linseeds, can. No. 1 (g)	£181	+0.7	£158	£180.3	£149
Other Commodities					
Cocoa Shipment (w)	£1,266	+83	£568	£1,183	£725
Ftrs 2nd pos	£1,207.75	+84.25	£471.5	£1,207.75	£690.75
Coffee Shipment (e)	‡	—	‡	76	75
Future 2nd position	£1,404.5	-23.5	£433.25	£1,467	£786.5
Cotton outlook "A" Index c.i.f. lb	£72.4*	+1.55	64.3	£72.4*	62.8
Des Coconut (w)	£300	—	£280	£300	£265
Jute LJA BWC grade	£217	+1.0	£224	£217	£195
Rubber Kilo	50.5p	+2	28p	50.5p	36.5p
Sago Pearl (g)	£172	—	£145	£172	£143
Sisal E.A. No. 1 (w)(u)	$650	—	$625*	$650	[illegible]
No. 3 L. (w)(u)	$600	—	$600*	$600	$600
U.G. (w)(u)	$500	—	$425*	$500	$500
Sugar (g) (raw)	£189	-3	£163	£205	£154
Sulphur (y)	$75	—	$75	$75	$75
Tapioca No. 1 (g)	£150	+1.0	£118	£150	£124
Tea quality kilo	85p	+2	‡	85p	70p
(plain) kilo	73p	+1	‡	73p	48p
Wooltops 64s Warp	254p kilo	+4	197p kilo	254p kilo	210p kilo

§ Official close. ‡ Unquoted. * Nominal. § U.K. and Commonwealth refined. e Uganda Robusta. [illegible] unwashed f.o.b. nbass indicative price. g Madagascar. h Delivered. Delivered U.K. f.o.b. Liverpool. q C.i.f. Continental port. ank Rotterdam. y Liquid sulphur ex-tank Rotterdam. u Medium. Metric ton. x Sisal quoted in U.S. $ from 19/12/75.

BASE METALS

COPPER—Marginally easier on balance on the London Metal Exchange. Dealings were confined to the morning only in front of the holiday week-end. Forward metal rose to £889 in pre-market dealings on short covering despite the modest fall in overnight U.S. markets, but subsequently eased to £882 on talk of a further increase in warehouse stocks coupled with reports that the Peruvian miners' strike had been averted. In the Rings forward metal then rose afresh to £892 following the weakness of sterling, but finally reacted to £889 on the kerb following further profit-taking. It was still over £30 higher on the week. Turnover 16,125 tonnes.

COPPER	a.m. Official	+ or −	p.m. Unofficial	+ or −†
	£	£	£	£
Wirebars				
Cash	857.5-8	-1.5	—	-.75
3 months	887.8	-1	—	-1.75
Settlem'nt	858	-1.5	—	......
Cathodes				
Cash	848.9	-2	—	-.5
3 months	877.8	-3	—	-1.5
Settlem'nt	849	-2	—	......
U.S. Smt.	......	......	*70	......

Amalgamated Metal Trading reported that in the morning cash wirebars traded at £860, 58.5, three months £892, 91, 90, 89, 90, 89.5, 88, 89, 88.5, 88, 87. Cathodes, cash £850, 48, three months £879, 78. Kerb: Bars, cash £859, three months £888, 88, 89. Cathodes, three months £879.

TIN—Lost ground for the first time in seven trading days following the overnight decline in Penang, lack of interest and talk that the buffer stock manager had selling orders in the market, although it was thought that these were above the morning's levels and that no metal was sold on his behalf. Forward standard metal opened at £4,430 and fluctuated between £4,470 and £4,440 before rallying owing to the fall in the pound to end at £4,465 on the kerb. Forward metal has gained over £136 over the week in which warehouse stocks are expected to have risen moderately. Turnover 845 tonnes.

TIN	a.m. Official	+ or −	p.m. Unofficial	+ or −†
High Grade	£	£	£	£
Cash	4320 2	-7.5	—	-21.5
3 months	4447 55	-5	—	-20
Settlem't	4322	-10	—	......
Standard				
Cash	4320-2	-6.5	—	-21.5
3 months	4447-8	-5	—	-20
Settlem't	4322	-8	—	......
Straits E.	$1,181.0½	-8⅞	......	......
New York	—	......	*355.50	-5.5

Morning: Standard, cash £4,318, three months £4,470, 50, 50, 49, 45, 48, 47. High Grade, cash £4,315. Kerb: Standard, three months £4,455, 65.

LEAD—Barely changed on balance in line with copper. Forward metal traded up £285 in the pre-market following interest from one quarter and physical demand from Europe, but subsequently eased back to £282 before rallying modestly to end at £283.5 on the kerb. Turnover 2,550 tonnes.

LEAD	a.m. Official	+ or −	p.m. Unofficial	+ or −†
	£	£	£	£
Cash	273-.25	-1.12	—	-.125
3 months	283.25-.75	-1.75	—	-.625
Settlem't	273.25	-1.25	—	......
N.Y. Spot	—	......	*21-23	......

Morning: Three months £284, 84.5, 84, 83, 82, 83, 83.5. Kerb: Three months £283.5.

ZINC—Moved lower reflecting the trend in other base metals. Forward metal opened at £450 and traded between £449.5 and £451.5 before ending at the last-named price owing to modest covering. Stocks are expected to show a modest increase over the past week during which values have risen by over £10. Turnover 3,750 tonnes.

ZINC	a.m. Official	+ or −	p.m. Unofficial	+ or −†
	£	£	£	£
Cash	434.5-5.5	+2	—	-4
3 months	450-.5	+.75	—	-5
Settlem't	435.5	+2	—	......
Prm. West	......	......	—	......

Morning: Three months £450, 49.5, 50, 50.5, 51, 50. Kerb: Three months £451, 51.5.

* Cents per pound. † On previous unofficial close. ‡ $M per picul.

FREIGHTS

DRY CARGO—Active fixing for heavy grain from U.S. Gulf to Japan featured the freight market, at least four vessels being booked for 30,000 long tons at $16 f.i.o., while a vessel of 28,863 long tons in June received the higher level of $10.35 f.i.o.

Business was also concluded from the Gulf to Venezuela at $8.25 f.i.o. for May/June, while soyabean meal from same loading area to Poland commanded $11.75 f.i.o., with June loading. S. American grain shippers covered a cargo of about 45,000 long tons from Brazil to Lisbon/Hamburg at a dump sum of $475,000 f.i.o., while heavy grain from River Plate to Ghent/Hamburg paid $16.60 free discharge, both in June.

In the miscellaneous sector, ore operators arranged about 100,000 long tons from Sepetiba Bay, Brazil to Port Talbot at $3.55 f.i.o. in June, while $9.97½ was agreed for bauxite from Weipa to Stade in June.

SILVER

Silver was fixed 0.75p an ounce lower for spot delivery in the London bullion market yesterday, at 262.35p. U.S. cent equivalents of the fixing levels were: spot 462c, down 4.9c; three-month 469.7c, down 4.9c; six-month 476.9c, down 3.7c; and 12-month 494.1c, down 4.4c.

SILVER per troy oz.	Bullion fixing price	+ or −	L.M.E. close	+ or −
Spot	262.35p	-0.75	264.25p	+5
3 months	270.35p	-0.75	272.45p	+2.9
6 months	278.1p	-0.7	......	......
9 months	......	......	282.8p	+5
12 months	294.9p	-0.1	......	......

LME—Turnover 151 (411) lots of 10,000 ozs. Morning: Three months 272, 71.8, 71.5, 71.7, 71.8, 71.9, 72, 72.2, 72.2, 72.4. Kerbs: Three months 272.3, 72.5, 72.2, 72, 72.1. Afternoon: Market closed.

COCOA

Market initially opened easier in thin and quiet conditions, recovering sharply by mid-day on renewed buying. New contract highs were made on near positions before prices eased on profit-taking, reports Gill and Duffus.

COCOA	Yesterday's Close	+ or −	Business Done
No. 6 Contract			
May	—	......	1240-125
July	1207.5-08.0	+17.25	1221-1177
September	1113.0-14.0	+5.75	1119-1082
December	993.5-94.0	+5.75	1005-980
March	953.5-54.0	-1.0	969-947
May	925.0-27.0	-2.5	940-930
July	905.0-12.0	-4.5	—

Sales: 3,877 (3,161) lots of 10 tonnes.

International Cocoa Agreement prices, U.S. cents per pound—Daily 84.93 (85.58); 15-day indicator average 80.76 (80.32); 22-day average 79.48 (79.17).

COFFEE

Robustas closed the morning steady, continuing to reflect sterling's depreciation and New York's movement after the London close on the previous night. Also, some sources believed the terminal had over-reacted to relatively cheap Brazilian sales to U.S. roasters.

Prices closed steady. They eased earlier in the afternoon on speculative liquidation, but closed in line with New York on shortcovering.

COFFEE	Yesterday's Close	+ or −	Business Done
	£ per tonne		
May	—	......	1405-400
July	1404-405	-18.5	1427-388
September	1404-405	+1.0	1429-389
November	1386-390	+4.0	1415-375
January	1382-384	+9.0	1405-370
March	1376-379	+14.0	1395-370
May	1365-375	+5.0	1390-361

Sales: 3,891 (2,231) lots of 5 tonnes.

ICO indicator prices, U.S. cents per pound—Colombian Mild Arabicas 168.00 (167.25); Other Mild Arabicas 138.00 (140.00); Unwashed Arabicas Santos Fours 149.50 (149.50); Robustas 122.25 (123.00); Daily average 141.25 (142.04).

ARABICA CONTRACT (in order, buyer/seller, business, sales)—June 140.00-60.00, —, nil; Aug. 144.00-55.00, —, nil; Oct. 140.00-47.00, —, nil; Dec. 139.00-45.00, —, nil; Feb. 135.00-40.00, —, nil; April 135.00-40.00, —, nil; May 135.00-40.00, —, nil. Total sales nil.

GRAINS

THE BALTIC—Renewed pressure on sterling produced firmer prices for some imported grains and influenced steadier local prices, but volume remained light.

Wheat—U.S. Dark Northern Spring No. 2, 14 per cent., July 108 direct Tilbury, transhipment east coast unquoted. EEC Feed first half June £74.75; second half June £75.50 east coast.

Maize—No. 3 Yellow American/French June and July 73.75 transhipment east coast.

Barley—EEC Feed May-June 72.25 west coast. Rest unquoted.

LONDON GRAIN FUTURES MARKET (GAFTA)—Wheat, very steady. Close: Sept. 70.90, Nov. 73.60, Jan. 75.90, March 78.30. Business: Sept. 71.00-70.45, Nov. 73.80-73.15, Jan. 76.10-75.60, March 78.35-77.85. Sales 221. Barley, very steady. Close: Sept. 7.030, Nov. 72.80, Jan. 75.05, March 77.40. Business: Sept. 70.45-69.70, Nov. 72.75-72.25, Jan. 75.05-74.50, March 76.90-76.70. Sales 119.

RUBBER

EASIER opening on the London physical market. Erratic during the day, closing with sellers reserved. Lewis and Peat reported a Malaysian godown price of 213¼ cents a kilo (buyer, June).

No. 1 R.S.S.	Yesterday's close	Previous day's close	Business done
July	55.25-56.50	55.00-55.60	—
August	57.50-57.80	55.10-56.00	—
Jly-Sept	56.75-57.00	55.50-56.50	—
Oct-Dec	58.00-59.20	58.25-59.25	59.20-58.70
Jan-Mar	61.00-61.70	61.60-61.70	62.0-61.25
Apr-Jne	63.70-63.85	63.35-64.00	64.10-63.40
Jly-Sept	65.25-65.55	65.25-66.55	65.50-65.50
Oct-Dec	65.90-66.50	65.80-66.60	66.35-66.65
Jan-Mar	68.25-[illegible]	68.25-66.70	—

Sales: 186 (449) lots of 15 tonnes.

Physical closing prices (buyers) were: Spot 50.5p (50p); July 52.0p (same); Aug. 53.5p (same).

SOYABEAN MEAL

Market opened easier in sympathy with Chicago, but moved higher during morning on trade off-take and hedging against the decline in sterling. In the afternoon, week-end liquidation, coupled with slightly easier Chicago, caused prices to close below day's best, reports SNW Commodities.

	Yesterd'ys Close	+ or −	Business Done
	£ per tonne		
June	120.00-25.0	-1.0	124.00-17.00
August	125.0-25.5	-0.25	—
October	128.5-28.6	-0.1	129.5-27.50
December	130.4-30.5	-0.2	131.7-29.3
February	131.4-31.5	-0.4	132.10-31.20
April	132.3-32.4	-0.55	132.50
June	133.0-33.5	-0.65	—

Sales: 214 (382) lots of 100 tonnes.

SUGAR

LONDON DAILY PRICE (raw sugar) £189 (£191) a ton c.i.f. for June/July shipment. White sugar daily price was fixed at £197 (£199).

Market gained following renewed pressure on sterling, but fell back slightly by lunch. Selling, particularly in near months, pushed prices down to the recent lows early in the afternoon, although a small recovery ensued, C. Czarnikow reports.

Sugar Pref Comm Con.	Yesterday's Close	Previous Day's Close	Business Done
	£ per ton		
Aug.	192.05-92.25	193.55-93.60	194.75-91.75
Oct.	195.25-95.50	196.60-96.75	197.75-95.00
Dec.	197.10-97.1	198.10-98.2	199.25-96.50
March	196.5-97.00	197.50-97.75	198.50-96.50
May	196.5-97.00	197.0-97.25	197.55-96.75
Aug.	196.90-97.00	197.-97.25	197.50-97.0
Oct.	196.50-97.00	196.95-97.25	197.2-96.50

Sales: 1,360 (2,125) lots of 30 tonnes.

Tate and Lyle ex-refinery price for granulated basis white sugar was £214.20 (same) a long ton for home trade and £249 (£251) a long ton for export.

WOOL FUTURES

LONDON, Market a shade easier on nears, slightly better on distants, in average trading, reports Bache.

Australian Greasy Wool	Yesterd'y's close	+ or −	Business Done
May	—	......	204.200
July	211.0-18.0	-3.0	—
October	226.0-28.0	+0.75	227.0
December	237.0-37.5	+0.75	238.0-34.0
March	246.5-48.0	+0.5	248.0-45.0
May	249.0-56.0	+0.25	—

Sales: 52 (129) lots of 1,500 kilos.

SYDNEY GREASY (in order, buyer, seller, business)—July 276.0-277.0, 280.0-277.5; Oct. 290.0-290.2, 292.0-290.0; Dec. 298.0-296.5, 300.4-296.0; March 305.5-305.9, 308.2-305.3; May 312.0-312.5, 315.0-312.0. Sales 611.

JUTE

DUNDEE—Quiet. Prices c. and f. U.K. for June-July shipment: BWB £212, BWC £203. Tossa: BTB £223, BTC £213, BTD £205. Calcutta goods quiet. Quotations c. and f. U.K. for May shipment: 10-ounce 40-inch £1.44, 7½-ounce £5.88 per 100 yards, June £7.83 and £5.91, July-Sept. £7.84 and £5.91. "B" twills: £21.11, £21.61, £22.34, for the respective shipment periods. Yarn and cloth prices very firm.

LONDON—Steady. Bangladesh White "C" grade May-June, June-July £217.00 "D" grade May-June, June-July £208.00 A long ton.

CALCUTTA—Steady. Indian spot Rs.490.00. Dundee Daisee spot Rs.470.00 A bale of 400 lbs.

MEAT/VEGETABLES

MEAT COMMISSION—Average fatstock prices at representative markets on May 28: G.B. Cattle £27.81 per live cwt (+1.66): U.K. sheep 60.9p per lb.e.d.c.w (−2.5): G.B. pigs £4.64 per sc.l.w (+0.07) England and Wales—Cattle numbers down 35.0 per cent., average price £27.83 (+1.84): Sheep down 13.5, 51.0p (−2.4): Pigs down 10.7, £4.64 (+0.07). SCOTLAND—Cattle up 15.3, £27.62 (+1.83): Sheep up 37.3 46.0p (−2.7).

COVENT GARDEN (prices in sterling)—Imported produce: Oranges—South African: Navels/Proteas 56/150 3.20-3.30; Jaffa: Valencia Lates 2.40-4.10; Egyptian: Valencia Lates 2.90-3.00; Cypriot: Valencia Lates 3.80-4.20; Californian: Navels 72/113 3.70-4.70; Valencia Lates 3.90-4.20. Lemons—Italian: 2.80-3.30; Spanish: Cases 2.60-3.00, cartons 1.40-1.50; South African: 3.50-3.90. Grapefruit—Jaffa: 2.30-2.80; South African: 2.50-2.70. Apples—New Zealand: Cox's Orange Pippins 5.40-5.70, Jonathans 3.50-3.60, Sturmer Pippin 4.30-4.40, Red Delicious 4.20, Golden Delicious 3.30-3.50; South African: Per 40 lbs Granny Smith 5.30-5.50, Starking 3.50-4.00, Winter Pearmain 4.00-4.20, Golden Delicious 4.00-4.30; French: Golden Delicious 20 lbs 72/84 1.50-1.60; 28 lbs 1.50-1.90; 13 lbs 1.00-2.10; 20 lbs Starking Delicious 1.70.

English produce: Potatoes—Per pound new 0.13; Per 56 lbs old Whites 4.50-5.00, Edwards 4.50-5.00. Rhubarb—Per pound Outdoor 0.05. Cauliflowers—Per 12 Lincs 1.50, Kent 1.80-2.00. Cucumbers—Per box 1.50-1.80. Mushrooms—Per pound 0.30-0.35. Tomatoes—Per box 12 lbs 2.80-3.20. Celery—Per 12/30 2.80-3.00. Asparagus—Per pound 0.40-0.80. Broad Beans—Per pound 0.10. Lettuce—Per 12. 0.35-0.40, cos 12, 00.0. Apples—Per pound Bramley's Seedling 0.11-0.14.

*

GRIMSBY FISH—Supply good, demand fairly poor. Prices at ships side (unprocessed) per stone: Shelf cod £1.80-£2.60, Codlings £1.45-£2.30. Large shelf haddock £2.70-£2.80. Medium £2.30-£2.50. Small £1.80-£2.00. Large plaice £2.60. Medium £2.60. Best small £2.20. Medium skinned dogfish £5.00. Large £6.00. Lemon soles £3.00-£4.00. Rock fish £1.10-£1.90. Reds £1.10-£1.20. Saithe £1.00-£1.30.

*

COPRA—Philippines: July and Aug. $220 resirs. per tonne, c.i.f. North Euro ports.

*

COTTON, Liverpool—Spot and shipment sales amounted to 152 tonnes, bringing the total for the week to 1,395 tonnes, against 790. Scattered operations in a variety of American-type qualities were reported. Turkish and Russian provided the bulk of demand, supported by S. American and E. African growths, F. W. Tattersall reports.

FINANCIAL TIMES

May 28	May 27	Month ago	Year ago
222.84	222.48	208.88	152.83

(Base: July 1, 1952=100)

REUTER'S

May 28	May 27	Month ago	Year ago
1469.8	1470.7	1410.5	1072.0

(Base: September 18, 1931=100)

DOW JONES

Dow Jones	May 28	May 27	Month ago	Year ago
Spot	41.97	342.15	328.52	269.61
Futures	30.05	329.48	316.72	248.38

(Average 1924-25-26=100)

MOODY'S

Moody's	May 28	May 27	Month ago	Year ago
Spie Commdty	832.0	832.5	805.7	715.7

(December 31, 1931=100)

U.S. Markets

Recovery in cocoa and coffee

NEW YORK, May 28.

PRECIOUS METALS again exhibited divergent trends. Platinum and silver rallied on speculative short-covering while gold eased on long liquidation prior to next week's IMF gold sale. Cocoa and coffee rallied following higher London advices, while sugar declined on trade selling. Maize and wheat eased on commercial selling, although soyabeans and related products advanced on speculative and local short-covering, Bache reports.

Cocoa—Ghana spot 103½ (102½). Bahia spot 100 (99). July 92.25 (91.30), Sept. 84.85 (84.40), Dec. 75.75, March 71.75, May 69.30 July 67.15, Sept. 65.05. Sales, 875.

Coffee—"C" Contract: July 141.00-141.10 (139.30), Sept. 138.75-128.50 (133.75), Dec. 132.30-132.50, March 129.00 May 128.00. Sales, 715.

Copper—June 69.40 (69.40), July 69.90 (69.90), August 70.30, Sept. 70.80, Dec. 72.20, Jan. 72.60, March 73.30, May 74.00, July 74.70. Sales, 7,400.

Cotton—No. 2: July 67.00-68.00 (67.40), Oct. 65.40-65.75 (65.25), Dec. 67.00-67.15, March 67.00, May 66.75-66.90, July 66.40-67.00, Oct. 65.00. Sales, 4,050.

ϕGold—June 126.00 (126.60), July 126.70 (127.40), August 127.30, Oct. 128.60, Dec. 130.10, Feb. 131.50, April 132.90, June 134.40, August 135.90 Oct. 137.40. Sales, 3,231.

Greasewool—Spot 177.0 nom. (177.5 nom.). July 173.5-176.9 (173.0), Oct. 174.9-176.5 (173.7), Dec. 171.6-178.0, March 171.9-178.5, May unquoted.

†Lard—Chicago loose 15.75 nom. (15.50 nom.). NY prime steam 17.30 asked (17.25 asked).

††Maize—July 290½-291 (293½), Sept. 280½-281 (282½), Dec. 271½-271¼, March 279½-279¼, May 284¼.

‡Platinum—July 164.00 (161.20), Oct. 167.30 (164.40), Jan. 170.90, April 173.40, July 176.50, Oct. 180.00-180.10. Sales, 390.

‡‡Silver—Spot 465.00 (465.50). June 469.00 (467.00), July 471.00 (469.00), August 473.60, Sept. 476.20, Dec. 485.20, Jan. 488.20, March 494.20, May 500.40, July 506.60, Sept. 513.00. Sales, 7,900.

*Soyabeans—July 575½-579½ (576), August 582½-583 (578½), Sept. 586, Nov. 591-592, Jan. 596½, March 603, May 607.

bSoyabean Meal — July 175.00-175.50 (172.30), August 175.80 (171.80), Sept. 174.50, Oct. 173.50-174.00, Dec. 173.50, Jan. 173.50-174.00, March 174.00-175.00, May 174.00-175.00.

Soyabean Oil—July 17.20-17.15 (16.93), August 17.30-17.35 (17.05), Sept. 17.45, Oct. 17.60-17.62, Dec. 17.80-17.85, Jan. 17.93-17.90, March 18.00-18.05, May 18.15-18.20.

Sugar—No. 11: Spot 13.65 (13.95), July 13.75-13.72 (13.87), Sept. 14.15-14.10 (14.25), Oct. 14.20-14.24, Jan. 14.25 nom., March 14.25-14.27, May 14.31, July 14.29, Sept. 14.25-14.20, Oct. 14.17 nom. Sales 5,183.

Tin — 351.00-360.00 asked (355.00-363.00 asked).

**Wheat—July 356½-356¼ (357½), Sept. 364½-365½ (366), Dec. 376-376K, March 387½-387½.

WINNIPEG, May 28. ††Rye—May 269 bid (266½), July 268 asked (267½ bid), Oct. 273 asked, Nov. 268 nom., Dec. 268 asked.

cOats—May 163¼ bid (162½ bid), July 159 bid (159½ asked), Oct. 158, Dec. 157½ nom.

§Barley—May 225½ bid (227½ bid), July 225¼ (226¼ asked), Oct. 226 asked Dec. 225½ bid.

dFlaxseed—May 673 bid (673½), July 677 bid (676¼ bid), Oct. 687 bid, Nov. 661½ bid, Dec. 664 bid.

Wheat—SCWRS 13.5 per cent. protein content St. Lawrence 455½ (455½).

All cents per pound ex-warehouse unless otherwise stated. * Cents per 60-lb bushel ex-warehouse. ϕ $'s per troy ounce—100-ounce lots. †Chicago loose $'s per 100 lbs—Dept. of Ag. prices previous day. Prime steam f.o.b. NY bulk tank cars. ‡‡ Cents per troy ounce ex-warehouse. b New "B" contract in $'s a short ton for bulk lots of 100 short tons delivered f.o.b. cars Chicago, Toledo, St. Louis and Alton. ‡ $'s per troy ounce for 50-ounce units of 99.5 per cent purity delivered NY. **Cents per 60-lb bushel in store. ††Cents per 56-lb bushel ex-warehouse. 5,000 bushel lots. c Cents per 34-lb bushel. § Cents per 48-lb bushel ex-warehouse. 5,000 bushel lots. d Cents per 56-lb bushel, ex-warehouse. 1,000-bushel lots.

BIDS AND DEALS

Agreed Wimpey bid for W. W. Hall

CIVIL ENGINEERING and house-building group George Wimpey is bidding 35p per share in cash for W. W. Hall, the building materials distributors. Three directors of Hall, who between them hold 56.8 per cent. of the issued capital, have agreed to accept the offer and the Board is recommending shareholders to accept.

Details of the offer, which values Hall at £1.9m., will be sent out in a formal document within the next few weeks. The Hall share price exactly doubled to 34p last night on the news and Wimpey eased 1p to 48p.

Dawnay Day has advised Hall and Baring Brothers has acted on behalf of Wimpey.

Jeavons turns down Pentos–dividend rise

The chairman of E. E. Jeavons, Mr. T. S. Ringrose, has written to shareholders urging them to reject the £1.7m. bid made by Pentos. He claims that the offer—50p of 15 per cent. Convertible Unsecured Loan stock in Pentos for every Jeavons share (worth 54p last night) or 55p in cash—undervalues the company in terms of earnings and assets.

In addition, the company has produced its preliminary results for the year to March 31, 1976 showing a drop in pre-tax profits from £470,033 to £434,451. The Board has declared total dividends for the year of 3.66p—an increase of 30 per cent. over the previous year—covered 1.8 times by earnings of 6.7p (8.1p).

Mr. Ringrose described the results as "creditable" during a "severe economic recession which has particularly affected the contracting and engineering industries in the U.K." Net tangible assets at March 31 amounted to £2.3m. or 77.3p a share and the company had cash and short-term investments of £295,000.

The chairman argues that holders accepting the bid would suffer a fall in annual income of over 43 per cent. at least for 1976. This is because the Pentos bid excludes holders from the proposed second interim of 2.01p net: furthermore, interest on the Pentos loan stock would not be paid until December 31 at the earliest.

Jeavons share price was unchanged at 56p last night.

Warren bid for Peacock Sasini

Warren Plantation Holdings, having purchased a further 150,000 shares at 44p in **Peacock Sasini Estates** so raising its holding from 29.4 per cent. to 36 per cent., is making a bid for the remaining shares at the same price. This values Peacock at £1m.

The Board of Peacock advises holders to take no action until discussions have been held with the company's financial advisers and Warren.

Peacock is a U.K. registered company with interests in Kenya involved in the cultivation, processing and marketing of tea and coffee. The share price shed 3p to 44p last night, following this announcement.

BOLANDS-BARROW

The directors of Bolands have been informed that the offers for the share capital by Barrow Milling have been declared unconditional. They say they are consulting their financial advisers, Northern Bank Finance Corporation, and will shortly be advising holders on what action they should now take. Shareholders are strongly advised to take no action pending this and are assured their interests will not be jeopardised by continuing to hold their shares for the time being.

Selection's terms for Shand

Selection Trust, the London-based international mining finance house, has agreed terms for the acquisition of 90 per cent. of **Alexander Shand (Holdings)** (after conversion of the outstanding convertible securities) for a £4.38m. consideration. Of this £854,634 will be paid in cash, with the balance consisting of 750,000 Ordinary shares of Selection not ranking for the final dividend for the year to March 31, 1976.

Shand is a private group of contractors engaged in the mining of open-cast coal in the U.K., civil and mechanical engineering and building, plant hire, and in the coating and laying of pipes. Consolidated accounts for the year to November 2, 1975, show pre-tax profits of £1.45m. and it is forecasting 1976 results at £1.63m.

Selection has required as a term of the offer that the other 10 per cent. of Shand's capital be retained by five of its executives, but they will have the option to buy the Seltrust Holdings an ST subsidiary will be equivalent to that now pay-outstanding shares after five years for a cash consideration. This will be equivalent to that now payable by Selection but increased by an amount to reflect the extent to which the average pre-tax profits attributable to the shares being sold for the three years to March, 1981, exceed those for the year to November, 1975.

Woodhouse expansion

Woodhouse and Rixson (Holdings), forgemasters, etc., is acquiring **Portway Forgings (Wednesbury)** for a £685,000 consideration. This will be satisfied by the payment of £385,000 in cash and the allotment of 885,610 W & R Ordinary shares of 12½p each.

Portway carries on the trade of drop and upset forgings, manufacturing a variety of products for the general and civil engineering and commercial vehicle industries.

PERSTORP/WARERITE

Perstorp, the Swedish chemical and plastics group, says that negotiations to acquire the Warerite decorative laminate business are nearing a successful conclusion.

From September 1 next it is planned that Warerite laminates will be produced in Britain by a newly formed company, Perstorp Warerite, which will be a wholly owned subsidiary of Perstorp.

Bengt Moller, a senior executive of Perstorp, will be coming to Britain to assume control of the U.K. operations.

RECENT ISSUES

EQUITIES

Issue Price p***	Amount Paid Up	Latest Renunc. Date	1976 High	1976 Low	Stock	Closing Price p***	+ or −	Div. Amount	Times covered	Gross Yield	P/E Ratio
—	F.P.	—	£35¾	£21¼	Berry Pacific Fd.US$1	£23¾	+1	40c	—	8.5	—
$10,500	F.P	—	$10,500	$8,500	Brasilvest S.A.	$8,500	.....	—	—	—	—
—	F.P.	—	10	6	Dares Estates 20p 6	7½	+½	—	—	—	—
—	F.P.	—	£24¾	£23	Emhart Corp. US$1	£24	+⅛	$1.20	—	4.9	—
—	F.P.	—	£17½	£14½	IC Inds.	£16	+⅛	$1.30	—	4.5	—

FIXED INTEREST STOCKS

Issue Price	Amount Paid up	Latest Renunc. Date	1976 High	1976 Low	Stock	Closing Price	+ or −
£99	£10	26/8	9⅞	9¼	Birmingham (City of) 13% Red. Stock 1983	9¼	−⅛
‡ 115½	F.P.	18/6	126	118	Bowring (C.T.) 10% Conv. 1981	118	−2
**£99½	F.P.	4/6	100	99½	Chester Water 8% Red. Pref. 1981	99½	.....
**£99½	F.P.	11/6	100¼	99½	East Worcs. Water 8% Red. Pref. 1981	99	.....
C$100	F.P.	—	99¼	96½	IAC 9¾% Notes 1981	98¼	.....
US$100	Nil	—	$99¼	$99¼	Lloyds Eurofinance Guar. Fl'ting N'ts 1985	$99¼	.....
**£99½	£10	23/7	11¼	10½	Newcastle & Gateshead 8% Red. Pref. 1981	10½	.....
US$100	Nil	—	101	101	Royal Bank of Scotland Floating Rate 198–	$101	.....
US$100	F.P	—	100½	99¾	Sandvik 9¼% Bonds 1986	$99¾	.....
£95¾	F.P.	—	£95½	£95¼	Scottish Agric. Secs. 14% Deb. 1993	£95¼	.....
£100	£20	6/7	14	[illegible]	[illegible]	65	.....
**£99	F.P.	14/5	99⅞	99¼	Sutton Dist. Water 8% Prf. 1981	99½	.....

"RIGHTS" OFFERS

Issue Price p***	Amount Paid up	Latest Renunc. Dates †	Latest Renunc. Dates ‡	1976 High	1976 Low	Stock	Closing Price p***	+ or −
350	Nil	4.6	17.6	128	115	Aust. & N.Z. Bank	126pm	−2
250	F.P.	28/5	25/6	298	285	Bank of Ireland	293	−2
C$14	Nil	—	—	16	15	Bank of Montreal	16pm	.....
70	F.P.	1.6	9.7	105	96	Boddingtons	102	−1
13	F.P.	28/5	11.6	17½	16¾	Boulton Wm.	17	..
65	F.P.	18.5	15.6	85	72	Bowring (C. T.)	72	−2
20	F.P.	19.5	9.6	95	77	Brent Chemicals	89	−1
14	Nil	—	—	1½	1¼	Coalite & Chemical	1½pm	+¼
50	F.P.	19.5	9.6	70	65	Elliott (B.)	65	..
38	F.P.	7/5	18/6	60	43½	Era Inds.	43½	−2½
65	F.P.	17/5	11/6	76	65	Garnar Scotblair	68	..
85	F.P.	21/5	18/6	111½	105	Glynwed	103	..
106	F.P.	14.5	11.6	151	151	Greene King	148	−2
305	F.P.	27/5	2/7	428	401	Heath (C.E.)	417	+5
330	Nil	10/6	2 7	49	33	I.C.I	38pm	+2
47½	F.P.	—	—	65½	61	Lesney Products	61	..
57	F.P.	3/5	20/7	71½	64	Lloyd (F.H.)	65	.....
186	F.P.	28/6	9.7	214	134	Lucas Inds.	194	−7
105	F.P.	3/5	9/6	116	96	Lyons (J.) 'A'	96	−4
20	Nil	—	—	3½	1½	Mallison (Wm.) & Denny Mott	1½pm	
120	Nil	—	—	29	24	Portals	24pm	−2
47	Nil	10.6	23/7	11½	5½	Ransome, Hoffman, Pollard	5½pm	−1½
45	Nil	22/4	5 6	61½	44½	Rolls-Royce Motors	55½	−1½
125	F.P.	4/5	1.6	150	140	Rotork	139	..
400	F.P.	21/5	25.6	492	446	Selection Trust	455	−10
38	F.P.	15/4	28/5	54½	47	Steflex Int.	48½	.
32	Nil	—	—	3	½	Tootal	1pm	−½
46	F.P.	—	—	56	44	Tricentrol	44	....
87½	F.P.	25/4	8.6	97½	87	Trust Houses Forte	87	−1
130	F.P.	15.5	11/6	185	137	Turner & Newall	137	−5
$A1.20	Nil	18/6	—	54	39	Western Mining	52pm	+2
70c	P.Pd	—	—	61	56	Woodside-Burmah	58	+2

Renunciation date usually last day for dealing free of stamp duty. *a* Placing price to public. *b* Figures based on prospectus estimate. *d* Dividend rate paid or payable on part capital, cover based on dividend on full capital. p*** Pence unless otherwise indicated. *g* Forecast dividend: cover based on previous year's earnings. *m* Figures based on prospectus or other official estimate for 1976. *t* Figures assumed. ‡ Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividends. ** Issued by tender. ✤ Offered to holders of Ordinary shares as a "rights." ♥ 200 S Afr. cents. ‡ Rights by way of capitalisation. †† Tender allotment price. ◆ Reintroduced. ‡‡ Issued in connection with reorganisation, merger or take-over. ◆ Introduction ♣ Issued to former Preference holders. ‡ Allotment letters (or fully-paid). † Provisional or partly-paid allotment letters. ♯ With warrants. ✤ After suspension.

This week's SE dealings

Friday, May 28	6,938	Wednesday, May 26	6,943	Monday, May 24	6,838
Thursday, May 27	7,317	Tuesday, May 25	6,372	Friday, May 21	6,493

The list below records all yesterday's markings and also the latest markings during the week of any share not dealt in yesterday. The latter can be distinguished by the date (in parentheses).

The number of dealings marked in each section follows the name of the section. Unless otherwise denoted shares are £1 fully paid and stock £100 fully paid. Stock Exchange securities are quoted in pounds and fractions of pounds or in new pence and fractions of new pence.

The list below gives the prices at which bargains done by members of The Stock Exchange have been recorded in The Stock Exchange Daily Official List. Members are not obliged to mark bargains, except in special cases, and the list cannot, therefore, be regarded as a complete record of prices at which business has been done. Bargains are recorded in the Official List up to 2.15 p.m. only, but later transactions can be included in the following day's Official List. No indication is available as to whether a bargain represents a sale or purchase by members of the public. Markings are not necessarily in order of execution, and only one bargain in any one security at any one price is recorded.

‡ Bargains at Special Prices. Δ Bargains done with or between non-members. ● Bargains done previous day. § Bargains done with members of a recognised Stock Exchange. ♣ Bargains done for delayed delivery or "no buying-in." $A—$Australian: $B—$Bahamian: $C—$Canadian: $HK—$Hong Kong: $J—$Jamaican: $Ma—$Malaysian: $Me—$Mexican: $NZ—$New Zealand. $S—$Singapore: $US—$United States: $WI—$West Indian.

BRITISH FUNDS (861)

East Africa High Comm. 5½pc 57¼ (27.5). Do. (Rlys. Harb.) 5¼pc 60¼●. Do. (Posts Tele.) 5¼pc 60¼ (27.5)

Jamaica 6pc 68½ ¼. 7¼pc 87¼ (26.5)

Northern Rhodesia 6pc 1976-79 83 (27.5). 6pc 1978-81 81 (26.5)

Nyasaland 6pc 1976-79 83 (27.5). 6pc 1978-81 81 (26.5)

South Australian 3pc 20¼ (27.5)

Tanganyika 5½pc 67⅛ (27.5)

Nigerian Ports 6pc Ln. 94

FOREIGN STOCKS & BONDS

COUPONS PAYABLE IN LONDON

Chilean 5pc Anns. Ser. A 90 (25.5).

Chinese 5pc Gold (German Issue) 2 (24.5).

Greek 5pc Stlg. Fdg. 1965 44● (27.5).

Whitbread Investment (50p) 116

Young A (50p) 98 3 (27.5). Non.V. (50p) 70 (27.5)

CANALS, DOCKS (3)

Manchester Ship Canal 175. 5pcPf. 36● 7 (27.5). 4pcPerp.2ndMtg. 23 (25.5)

Mersey Docks and Harbour 6¼ 5●. 3¼pc Db. 1974-84 31 (27.5). 6½pcDb. 1994-97 25¼ (25.5)

COMMERCIAL, INDUSTRIAL (4,033)

A—B

A.A.H. (25p) 150●. 6pcPf. 40

British Rollmakers (25p) 46●. British Shoe Corp. 45. British Steam (20p) 62 (25.5). British Sugar 330. British Syphon (20p) 24. British Tar Products (10p) 35½. British Vita (25p) 100● 98 (27.5). Brittains (25p) 35½ 5. 10¼pcDb 87 (26.5). Brockhouse (25p) 46½ 8½. Brocks (10p) 39 (27.5). Brooke Bond Liebig (25p) 38 7 8½ 9 7½. 5¼pcDb. 63 (26.5). Brotherhood (Peter) (50p) 120●. Brown Jackson (20p) 44. Brown Tawse (25p) 75 8 (25.5). Brown Boveri Kent (25p) 26 5½ (27.5). Brown Brothers (10p) 14¼. Brown (John) 84●. Brown (N.) (20p) 26. Bronlee (25p) 9 (27.5). Brunning Restricted Vot. (25p) 34. Bruntons (Musselburgh) (25p) 94●. Bryant Hldgs. (25p) 25

Ellis (5p) 15 (28.5). Ellis Goldstein (5p) 20. Elswick-Hopper (5p) 10½● ½ 10 (27/5). Empire Stores (25p) 87. Empress Services (10p) 5½ 4¼ (27/5). Energy Service Electronics (10p) 3¼. English Overseas Investments (10p) 3¼ (27.5). English Card Clothing (25p) 40 (25.5). English China Clays (25p) 84½●. English Electric 4pcDb. 84¼ (25.5). 6pc Db. 66¼ (24.5). 7pcDb. 59 (24.5). Epicure (5p) 4¼. Erith (25p) 79. Esperanza Trade Transport (12½p) 102½. Eucalyptus Pulp Mills (25p) 37½ 40. European Ferries (25p) 62½ 3 2 1½. Eva Industries (25p) 44½ (26/5). Do. New 45 (25/5). 8pcPf. 30 (24/5). Evans (10p) 23¼ 4 (24/5). Ever Ready (25p) 113 14½. Evered (25p) 100 (27/5). Evode (20p) 87 (25/5). Ewer (G.) (10p) 21½. Excalibur Jewellery 5p) 8¼● (27/5). Executex Clothes (10p) 6½ (27/5). Expanded Metal (25p) 79½ (25/5)

N—O—P

NCR 8½pcLn. 57⅛ 8 (25/5). National Carbonising (10p) 24 6 7. 11½pc Ln. 81 (25/5). Neill Spencer Hldgs. (10p) 22 (25/5). Neill (James) Hldgs. (25p) 72 1. Nelson David (5p) 7½ ⅛. Newarthill 57 (26.5). Newey Group 81 (25.5). Newman Granger Inds. (10p) 27● (27/5). Newman Inds. (25p) 52 (24.5). Newman-Tonks (25p) 33● (27.5). Newmark (Louis) (25p) 105. News Intnl. (25p) 149. 7pcPf. 47 (24.5). 8pcPf. 53 (24.5). 7¼pcDb. 58½●. Newton (John M.) Sons (10p) 36●. Noble Lund (10p) 64● (27.5). Norcros (25p) 64● 5●. 7¼pcLn. 65● (24.5). Norfolk Capital Group (5p) 11● 10 11½ 9. Normand Electrical Hldgs. (20p) 57. North (M. F.) (10p) 23●. 4.2pcPf. 36 (24.5). Northern Foods (25p) 80½● 79. New (25p) 80½● 80● 1½●. 7¼pcDb. 57½. 6.25pcUns.Ln. 80½. Norvic Securities (10p) 20. Norwest Holst (25p) 46● 5½. 7pcUns.Ln. 58 (25.5)

Distraint 'is legal despite winding-up'

A CREDITOR who had started distraint proceedings on a company's goods was entitled to complete the process despite the intervention of a creditors' voluntary winding-up, a High Court judge ruled yesterday.

Mr. Justice Templeman dismissed with costs an application in a voluntary liquidation by the liquidator of Herbert Berry Associates for a stay of all further proceedings in a distress levied by the Inland Revenue on January 29, 1975, on certain of the company's goods.

The liquidator, who was opposed by the Revenue, also sought a declaration that all the company's property was available for distribution among its creditors, in accordance with the Companies Act 1948. The liquidator was given leave to appeal.

Giving a reserved judgment, Mr. Justice Templeman said that under section 61 of the Taxes Management Act, 1970, the collector of taxes was entitled to distrain on the goods of a taxpayer and sell the goods in satisfaction of unpaid taxes.

Under section 319 of the Companies Act, 1948, certain debts—including unpaid taxes—were designated preferential debts which in a liquidation must be paid in full, equally, without preference, before any payment was made to other unsecured creditors.

In this case, the collector distrained on the company's goods at the company's premises for about £9,500 of unpaid taxes, PAYE and National Insurance graduated pensions.

The company's state of affairs on March 18, 1975, showed an overall deficiency of £91,000.

The goods were allowed to remain on the company's premises after the company agreed not to remove them. But before the goods could be sold, the company went into creditors' voluntary winding-up.

The question was whether the collector, and thus the Revenue, could retain the benefit of a distress already levied but not completed before the liquidation.

The judge said the court was obliged to allow a creditor to complete distress unless there was some inequitable conduct on the part of the person seeking distress.

BANK RETURN

—	Wednesday May 26 1976	Inc. (+) or dec. (−) for week
BANKING DEPARTMENT		
LIABILITIES	£	£
Capital	14,553,000	—
Public Deposits	18,316,419	− 1,170,358
Special Deposits	1,004,600,000	—
Bankers	331,225,484	+ 38,035,742
Reserves & Other A/cs	494,825,726	−114,623,563
	1,863,419,629	− 77,758,160
ASSETS		
Govt. Securities	1,612,058,840	− 88,434,998
Advance & Other A/cs	247,837,582	+ 3,332,478
Premises, Equip't & other Secs	80,771,722	− 150,960
Notes	22,577,326	+ 7,509,165
Coin	173,263	− 13,720
	1,863,416,629	− 77,762,160
ISSUE DEPARTMENT		
LIABILITIES	£	£
Notes Issued	6,400,000,000	+125,000,000
In Circulation	6,377,422,774	+117,490,840
In Bank'g Dep't	22,577,326	+ 7,509,160
ASSETS		
Govt. Debts	11,015,100	—
Other Govt. Secs	5,673,940,782	+141,021,352
Other Securities	715,044,118	− 16,021,352
	6,400,000,000	+125,000,000

ham Brick (50p) 115 (27/5)
ham Manufacturing (25p) 73½●
Jersey) Knit (20p) 13½ ¼ 13
Peacock (10p) 85 8 (27/5)
ft Industries (5p) 220 20½ (27/5)

Sangers (25p) 89● 9
Savile Gordon (10p) 43½
Savoy Hotel A (10p) 26 (26/5)
Scapa Grp. (25p) 66½. 8pcLn. 56 (26/5)
Scholes (George H.) (25p) 203 7 (25/5)
Scoteros (25p) 40½ (27/5)
Scott and Robertson (25p) 18 19½
Scottish Agricultural Industries 215● 8●
Scottish and Universal (25p) 71● 1 ¼ 2
Scottish Television A (10p) 25½
Sears Engineering 8½pcDb. 65 (24/5)
Sears Hldgs. (25p) 41 40½ 40. 7½pcPf. 47●. 7pcAPf. 47½ (27/5). 7½pcLn. 52●
Securicor Group (25p) 56. A (25p) 52
Security Services A (25p) 63. Do. A(NV) 60
Sellncourt (5p) 9¾● 9 ½. 7½pcLn. 52 (24/5)
Sena Sugar Estates (50p) 6½ (27/5)
Senior Engineering Group (10p) 18 (26/5)
Serck (25p) 40½● 1● 1 40¼ ¼ 40½ 2 ½ ¾ 40 1¼
Shakespeare (Joseph) (5p) 28½ (27/5)
Shanks Hldgs. 7½pcDb. 55 (27/5)
Shannon (J.) (10p) 37½
Sharna Ware New (20p) 33 (26/5)
Sharpe and Fisher (25p) 38½● ½●
Shaw Marvin (10p) 6½
Shaw (Francis) (20p) 27¼ (21/5)
Sheepbridge Engineering (25p) 56½. 7½pc Db. 59½ (26/5)
Shepbard (E.) (25p) 50 (24/5)
Sherman (Samuel) (10p) 4 (27/5)
Shiloh Spinners (25p) 24 (27/5)
Sidlaw Industries (50p) 75. 7½pcLn. 40½ (27/5)
Siebe Gorman (25p) 161 3
Silentnight Hldgs. (10p) 46●
Silhouette (London) A (20p) 30
Silverthorne Group (10p) 7 (27/5)
Simon Engineering (25p) 114● 12
Simons 7½pcPf. 39
600 Group (25p) 73½● 4½ 1½ 5. 6½pc Ln. 1975-80 78½ ¾ (25/5). 8½pcLn. 57¼ (24/5)
Sketchley (25p) 66● 7½ 6½
Slimma Group (25p) 34½
Smith Nephew (10p) 49½● ½ 8½ ½. 8pcLn. 106 7
Smith (David S.) (Hldgs.) (20p) 32 (27/5)
Smith (Stephen) (25p) 53 (27/5)
Smith (W. H.) Son (Hldgs.) A Ord. 356. B Ord. (20p) 70 (26/5). 5½pcLn. 30 (24/5)
Smith Inds. (50p) 131● 1. 7½pcLn. 78¾● 7●
Snia Viscosa Societa Nazionale Industria (L1200) 100 (24/5)
Sobranie (Hldgs.) Non V. Ord. (10p) 16 (25/5)
Solicitors' Law Stationery Soc. (20p) 50 49½ (27/5)
Southern Constructions (Hldgs.) (5p) 12 11. New Ord. (5p) 13 (24/5)
Sparrow (G. W.) Sons (20p) 130● (27/5)
Sparrow Hardwick 7pcPf. 38 (27/5)
Spear, Jackson Int. (25p) 74 (24/5)
Spencer Gears (Hldgs.) (5p) 12 (24/5)
Spillers (25p) 37 ½ 8½ 8½ 6 ¼. 7pcDb. 74¼● (27/5)
Spink (25p) 127

U.K. Optical Industrial Hldgs. (25p) 117
USMC Intnl. 9pcLn. (with warrants) 92
UU Textiles (10p) 3½ (26/5)
Ulster TV non-vtg.A (25p) 38 (27/5)
Ultra Electronic Hldgs. (25p) 330. 7½pc Ln. 65 (27/5)
Unicorn Inds. (25p) 69● 71 70
Unigate (25p) 39½ 6½ 7 ½ 8 6½. 8½pc Db. 54● (27/5). 8pcLn. 38 (25/5). 6½pcLn. 1991-96 47 (28/5). 6½pcLn. 1992-97 60 (26/5)
Unilever (25p) 463 4 2 1 56 8 58 57 60 59 4. 4pcDb. 77 (28/5). 6¼pcDb. 64½. 5½pcLn. 38½●. 7¾pcLn. 58● 6 5½
Unilever (Fl.12) £21.88 (27/5)
Union Intnl. 6pcPf. 40½●. 7pcPf. 47●. 10pcAPf. 89 (24/5)
Unitech (10p) 52½

Evans of Leeds (25p) 66● (27/5)
Five Oaks (25p) 3 (27/5)
Forum Properties (10p) 39
Great Portland Estates (50p) 224
Green (R.) Properties (10p) 17½●
Greencoat Properties (5p) 8 (26/5)
Hammerson Property (25p) 312 (27/5). A (25p) 318 (26/5)
Haslemere Estates (10p) 180● 77. 9½pc Ln. 123 (27/5)
Intereuropean Property Holdings (10p) 55½● 7½ 8½ ½ 9 60 57½ 9½
Keith Henderson (5p) 86 8
Land Investors (25p) 81 (24/5)
Land Secs. Inv. Tst. (50p) 152 1. 8pc1st Mt.Db. 1988-93 47● ¼● ½. 9pc1stMt.

Un'sec Dev. Contractors 54
Walker (Hiram) £24⅝
Wheelock Marden New A 8½ 8. Do. New B ½
Woodside Burmah 85● 92

May 27

Aberdare Hldgs. 153●
Australian Guarantee Corp. 170●
Black & Decker £17½
Fabermartin 4½
Hudson's Bay Oil and Gas £30¼
I.C.I. (Australia and N.Z.) 168
Jardine Matheson 330 4 3 2
Jardine Secs. 120
Metal Ex. 58

Metro Dowell Motors 55
Murphy Ore 25
Myer Emporium 227
New Metal Mines 2½
Nicholas Int. 60
Norton Simon £15¼
Offshore Oil 1●
Oil Search 13½ 14
Phillip Morris (Australia) $US10.04
Poseidon 245● 40 30
Walker (Hiram) £25
West Coast Transmission £19½
Westfield Minerals 155
Woodside Burmah 86
Yukon Cons. 130●

MAY 26

Allied Mills 26●
Assoc. Manganese £12½● ½●
Bk. NSW 590●
Bow Valley Inds. £20½
Bridge Oil New (f.pd.) 38●
B-H. Contd. Oilfields 27
Canada Cement 830
Certain-teed Prods. $US16½●
Comml. Bk. Aust. 275●
East African Power Light 26●
East Asiatic Denmark £19¼
Ever-Ready S.A. 59 ¼
Hammersley Hldgs. 205●
Husky Oil Canada £16½
Kennecott Copper £27½●
Ocean Resources 34
Oude Meester Grp. 30½●
Selangor Coconuts 33½●
Sthrn. Pac. Props. 14●
Sunningdale Oil £13½
Swire Pac. A 141 3½ 2 39
Towles Edgar Jacobs 25●
Velcro Inds. 505●
Waltons 105●
Western Union £14½

MAY 25

Argo Invests. 158
Associated Australian Resources 108
Bayer Motoren Werke £74½●
Burns Philp 236
Chamberlain Hldgs. 90
Dome Petroleum $41¾
Gulf Oil £26¼
Hawker Siddeley (Canada) 520●
International Oil 21●
Mead Con. £25¾ 5
National Bank Australia 279●
Power Cpn. of Canada 787
Selrast 34●
Shell Oil (Canada) A £14●
Target Petroleum 1
Thiess Hldgs. 254
United Nuclear £22●
Yukon Consd. 131

MAY 24

Alfa Laval Sub. Rts. 100
American Telegraph and Telephone £43¼
Ampol Exploration 60½●
Coles (G. J.) 143●
Commercial Hldgs. and Metal 36
Consol. Edison £13½
Corning Glass Works £59¼
Dresdner Bank £68● 6
Exxon Cpn. £81½ 80½
Florida Gas £13⅛
Home Oil A £27
Hungerford Hill 74●
Metal Ex. 60
Mid East Minerals 24
Mount Carrington 16
Northern Mining 9
Orange Secs. 87
Ohio Edison £14½
Owens-Corning Fibreglass £47
Pioneer Concrete 110
Roman Con. £12½●
Sleigh (H. C.) 51
Stella Mining 14

TriContinental $US19¼
Uniroyal Inc. 725
Weeks National Resources 90
(By permission of the Stock Exchange Council)

NEW HIGHS AND LOWS FOR 1976

The following securities quoted in the Share Information Service yesterday attained new Highs and Lows for 1976.

NEW HIGHS (7)

FOREIGN BONDS (1)
Greek 4pc Mxd. Asstd.
CANADIANS (1)
Bk. Montreal
BUILDINGS (2)
Cakebread Robey 'A'
Hall (W. W.)
FOODS (1)
Fox's Biscuits
OILS (2)
Ranger Oil
Sunningdale Oils

NEW LOWS (308)

COMM'WEALTH & AFRICAN LOANS (1)
AMERICANS (1)
BANKS (13)
BEERS (2)
BUILDINGS (33)
CHEMICALS (5)
DRAPERY AND STORES (21)
ELECTRICALS (15)
ENGINEERING (28)
FOODS (14)
INDUSTRIALS (43)
INSURANCE (10)
MOTORS (4)
NEWSPAPERS (3)
PAPER AND PRINTING (6)
PROPERTY (16)
SHIPPING (1)
SHOES (1)
TEXTILES (11)
TRUSTS (72)
OILS (2)
OVERSEAS TRADERS (2)

RISES AND FALLS YESTERDAY

	Up	Down	Same
British Funds	25	8	42
Corpns. Dom. and Foreign Bonds	9	19	36
Industrials	185	734	842
Financial and Prop.	64	212	295
Oils	12	6	19
Plantation	7	15	31
Mines	36	44	66
Recent Issues	9	18	29
Totals	351	1,016	1,390

ACTIVE STOCKS

YESTERDAY—

Stock	Denomination	No. of marks	Closing price (p)	Change on day	1976 high	1976 low
Shell Transport	25p	13	445	+ 3	462	378
ICI	£1	12	358	+ 3	402	328
Commercial Union	25p	11	116	− 2	138	114
GKN	£1	11	310	− 3	360	286
Unilever	25p	11	460	− 2	500	428
"Bats"	25p	10	365	− 8	410	312
BP	£1	10	653	− 2	685	575
Imperial Group	25p	10	73	—	88	73
Midland Bank	£1	10	263	− 3	320	262
Gnd. Metropolitan	50p	8	62	− 1	88	61
Lonrho	25p	9	79	+ 1	100	77
Marks & Spencer	25p	9	91	− 1	108	88
Reed Internationl.	£1	9	263	− 2	288	252
Serck	25p	9	39	− 2½	40	30
Burmah Oil	£1	8	40	+ 1	53	31

The above list of active stocks is based on the number of bargains recorded yesterday in the Official list and under Rule 163(1) (e) and reproduced to-day in Stock Exchange dealings.

ON THE WEEK—

Stock	Denomination	No. of marks	Closing price (p)	Change on week	1976 high	1976 low
Shell Transport	25p	80	445	−15	462	378
ICI	£1	67	358	−10	402	328
BP	£1	64	653	−32	685	575
Barclays Bank	£1	49	285	—	330	272
GKN	£1	49	310	−15	360	286
Unilever	25p	48	460	−28	500	428
Burmah Oil	£1	47	40	− 4	53	31
Reed Internationl.	£1	47	263	− 5	288	252
Hawker Siddeley	£1	46	440	− 6	490	354
Lucas "New"	f.p.	46	194	−16½	214	194
Marks & Spencer	25p	45	91	− 4	108	88
GEC	25p	44	155	− 6	168	142
Midland Bank	£1	43	263	−20	320	262
RTZ	25p	42	216	− 5	239	178
Royal Insurance	25p	42	200	−16	332	290

Option Report—3-month Call rates

First Dealings	Last Dealings	Last Declaration	For Settlement
May 25	Jun. 8	Aug. 19	Sep. 1
Jun. 9	Jun. 21	Sep. 2	Sep. 14
Jun. 22	July 5	Sep. 16	Sep. 28

"Calls" were dealt in English Property, A.P. Cement, Norwest Holst, London City and Westcliff, Thorn Electrical "A," British Land, Allied Retailers, Caravans International, Ladbroke, Burton "A," Swan Hunter, Head Wrightson, Vickers, Lonrho, and MEPC, while "doubles" were arranged in Burton "A," Cons. Gold Fields and Town and City.

[illegible]		Guardian	18	Spillers	4	[illegible]	27
		G.K.N.	25	Tesco	4	Ultramar	14
A. P. Cement	15	Hawker Sidd.	35	Thorn "A"	22		
Assoc. Leisure	5	House of Fraser	8	Tube Invest	27	Mines	
Barclays Bank	22	I.C.I.	20	Unilever	35	Anglo Amer.	60
Beecham	28	"Imps"	7	Utd. Drapery	8	Charter Cons.	16
Boots Drug	12	I.C.L.	14	Vickers	15	Chart'rh'll Fin.	4
Bowaters	16	Inveresk	7	Williams Hud'n	4	Cons. Gold	15
B.A.T.	50	Legal & General	12	Woolworths	6	De Beers Def.	35
British Leyland	5	Ladbroke	11			F. S. Geduld	550
BOC Intl.	5½	Lloyds Bank	22	Property		Great Boulder	12
Burton 'A'	5½	"Lots"	4	Brit. Land	3½	Hampton Areas	12
Cadburys	5	"Mams"	7	Cap Counties	5	Hampton Prop.	4
Courtaulds	11	Marks & Spencer	8	E.P.	5	[illegible]	100
Debenhams	8	Midland Bank	22	Int. Europ.	7	Lonrho	9
Distillers	13	Nat'lWest Bank	20	Land Securities	14	Loraine	55
Dunlop	7½	"Dr." Warrants	8½	MEPC	7	Poseidon	55
Eagle Star	11	P & O Dfd.	11	Peachey	5	Pres. Steyn	200
E.M.I.	17	Plessey	7	Samuel Props.	4½	Rio T. Zinc	17
Gen. Accident	12	R.H.M.	5	Town & City	2	Welkom	55
Gen. Electric	15	Rank Org 'A'	16			Tex Areas	40
Glaxo	55	Reed Int'l	25	Oils		Western M'ng.	18
Grand Met	7	Rothmans	4	Brit. Petroleum	40		
G.U.S. A	16	Slater Walker	4	Burmah Oil	4½		

LOCAL AUTHORITY BOND TABLE

Authority (*telephone number in parentheses*)	Annual gross interest	Interest payable	Minimum sum	Life of bond
	%		£	Year
Barking (01-592 4500)	11¼	½-year	1,000	3-5
Greenwich (01-854 8888)	11⅜	½-year	1,000	4-7
Haringey (01-889 3131)	12	½-year	1,000	4-6
Haringey (01-889 3131)	12⅛	½-year	10,000	4-5
Liverpool (051 227 3911)	11⅞	½-year	500	3-4
Liverpool (051 227 3911)	12	½-year	500	5-7
Oxford (0865 49811)	12⅛	½-year	5,000	4-5
Redbridge (01-478 3020)	12	½-year	1,000	4-5
Redditch (0527 67691)	11⅞	½-year	1,000	4-6
Sandwell (021 569 2226)	11⅞	½-year	1,000	3-5
Sefton (051 922 4040)	11½	½-year	2,000	2-5
Southend (0702 49451)	11½	½-year	250	2-4
Wandsworth (01-874 6464)	12⅛	½-year	5,000	5-7
Wandsworth (01-874 6464)	12	½-year	1,000	5-7
Wrekin (0952 505051)	11⅞	½-year	2,000	2

BUILDING SOCIETY RATES

	Deposit Rate	Share Accnts.	Subp'n Shares	Variable Term Shares
bey National	6.25%	6.50%	7.75%	●7.00%
lliance	6.25%	6.50%	7.75%	‡‡7.25%
glia	6.25%	6.50%	7.75%	‖7.25%
rmingham Incorporated	6.25%	6.50%	7.75%	—
adford and Bingley	6.75%	7.00%	§8.25%	§7.75%
istol and West	6.25%	6.50%	7.50%	—
istol Economic	6.25%	6.50%	8.00%	†6.75%
itannia	6.75%	7.00%	8.25%	¶¶7.75%
rnley	6.25%	6.50%	7.75%	¶¶7.25%
rdiff	6.25%	7.00%	8.00%	—
tholic	6.25%	■7.40%	7.80%	—
elsea	6.25%	6.50%	8.25%	†6.75%
eltenham and Gloucester	6.25%	6.50%	—	‡7.25%
tizens Regency	6.25%	6.80%	8.25%	—
ty of London	7.00%	7.25%	8.25%	—
ty and Metropolitan	6.25%	6.75%	7.00%	¶7.50%
ventry Economic	6.25%	6.50%	8.25%	§§7.25%
erbyshire	6.25%	6.80%	7.75%	□6.90%
teway	6.25%	6.50%	7.75%	¶7.25%
eenwich	6.00%	7.10%	8.50%	—
uardian	6.75%	7.25%	7.50%	✝7.80%
alifax	6.25%	6.50%	7.75%	¶7.25%
astings and Thanet	6.25%	6.50%	7.75%	—
earts of Oak & Enfield	6.25%	6.70%	8.00%	—
endon	7.00%	7.30%	—	*7.50%
amington Spa	6.37%	6.63%	8.88%	7.00%
eeds and Holbeck	6.25%	6.50%	8.25%	—
eeds Permanent	6.25%	6.50%	8.25%	—
eicester	6.25%	6.50%	7.75%	††7.25%
iverpool	6.25%	6.50%	7.80%	*7.00%
agnet & Planet	6.25%	6.50%	7.75%	♡7.25%
ornington Permanent	6.45%	7.65%	—	—
ational Counties	7.00%	7.25%	8.25%	○7.75%
ationwide	6.25%	6.50%	7.00%	δ7.75%
ewcastle Permanent	6.75%	**7.00%	7.75%	8.00%
orth London	7.50%	8.00%	—	✚8.50%
orthern Rock	6.25%	6.50%	8.00%	✚7.25%
orwich	6.25%	6.50%	8.00%	—
aisley	6.75%	7.00%	7.50%	¶¶7.50%
roperty Owners	6.25%	7.00%	8.00%	†7.35%
rovincial	6.25%	6.50%	7.75%	7.25%
kipton	6.25%	6.50%	7.25%	‡‡7.25%
ussex Mutual	6.50%	Δ6.75%	—	—
own and Country	6.00%	6.50%	10.00%	6.75%
oolwich Equitable	6.25%	6.50%	7.75%	¶7.25%

Minimum £2,000 6 mths. notice. †3 mths. ‡3 yrs. §3 yrs. in-luding bonus. ¶Min. £500 2 yrs. fixed. ‖4th issue 2 yrs. ●Min. 3,000 over 2 yrs. 7.25% over £5,250. **7.50% over £5,000. ††2-3 rs. ‡‡2 yrs. §§7.00% 3 mths. notice after 9 mths. ¶¶2 yrs. 1,000 min. ♡Min. £100 2 yrs. fixed. ○Min. £1,000 6 mths. notice. 4 yrs. over £5,000. Δ£5,000 and over 7.00%. ✝Min. £1,000 3 nths. notice. □Min. £5,000 3 mths. notice. ■7.65% over £5,000. δ2 yrs. £500-£10,000. ✚3 yrs. min. £100.

U.K. CONVERTIBLE STOCKS 28/5/76

Statistics provided by *data STREAM International*

Name and description	Size (£m.)	Current price	Terms*	Conversion dates	Flat yield	Red. yield	Premium† Current	Premium† Range‡	Income Equ.§	Income Conv.¶	Income Diff.♡	Cheap(+) Dear(−)○ Current
Alcan Aluminium 9pc Cv. 89-94	12.00	65.00	100.0	76-80	14.6	15.3						
Associated Paper 9½pc Cv. 85-90	1.40	79.00	200.0	76-85	12.6	13.4	14.5	0 to 18	49.7	49.3	−0.5	−15.0
Bank of Ireland 10pc Cv. 91-96	10.25	124.00	35.7	77-90	8.2	7.5	17.7	10 to 27	[illegible]	60.5	7.8	− 9.9
BPB 7¾pc Cv. 89-94	4.89	99.00	52.0	72-80	7.9	8.0	8.6	− 2 to 12	22.1	23.4	1.5	− 7.2
English Property 6½pc Cv. 98-03	8.84	90.00	234.0	76-80	7.3	7.4	−15.5	−15 to 19	27.0	17.5	−9.0	+ 6.5
English Property 12pc Cv. 00-05	15.31	94.00	150.0	76-84	[illegible]	12.9	37.7	19 to 77	29.4	54.3	36.5	− 1.3
Grand Metropolitan 10pc Cv. 91-96	123.99	86.50	120.2	73-78	11.8	12.0	2.1	− 5 to 13	11.6	13.3	2.0	− 0.0
Hanson Trust 6½pc Cv. 88-93	4.51	92.00	57.1	76-86	7.1	7.4	10.7	−18 to 20	31.4	33.7	2.7	− 7.9
Hewden-Stuart 7pc Cv. 1995	0.72	140.00	280.0	75-95	5.1	4.1	13.6	14 to 18	57.8	46.9	−8.9	−22.5
Lyons, J. 7½pc Cv. 1981	3.60	74.00	22.7	75-81	10.0	14.8	201.5	146 to 206	12.0	25.8	55.0	−145.5
Slough Estates 10pc Cv. 87-90	5.50	134.00	125.0	78-87	7.4	5.7	27.6	21 to 35	[illegible]	52.3	26.8	− 0.8
Tozer, Kemsley 8pc Cv. 1981	7.33	97.00	153.8	74-79	8.3	8.8	5.1	− 1 to 20	13.3	19.1	6.3	+ 1.2
Wilkinson Match 10pc Cv. 83-98	11.10	84.00	40.0	78-83	11.8	11.9	38.2	36 to 50	23.5	42.5	31.2	− 7.0

* Number of Ordinary shares into which £100 nominal of convertible stock is convertible. † The extra cost of investment in convertible expressed as per cent. of the cost of the equity in the convertible stock. ‡ Three-month range. § Income on number of Ordinary shares into which £100 nominal of convertible stock is convertible. This income, expressed in pence, is summed from present time until income on Ordinary shares is greater than income on £100 nominal of convertible or the final conversion date whichever is earlier. Income is assumed to grow at 5 per cent. per annum and is present valued at 15 per cent. per annum. ¶ Income on £100 of convertible. Income is summed until conversion and present valued at 15 per cent. per annum. ♡ This is income of the convertible less income of the underlying equity expressed as per cent. of the value of the underlying equity. ○ The difference between the premium and income difference expressed as per cent. of the value of underlying equity. + is an indication of relative cheapness. − is an indication of relative dearness.

STOCK EXCHANGE REPORT

Markets remain nervous as sterling weakens afresh

Share index eases 0.8 to 380.4 for 18-day fall of 40.4

Account Dealing Dates

*First Dealings	Option Declarations	Last Dealings	Account Day
May 17	May 27	May 28	Jun. 9
Jun. 1	Jun. 10	Jun. 11	Jun. 22
Jun. 14	Jun. 24	Jun. 25	July 6

* "New time" dealings may take place from 9.30 a.m. two business days earlier.

Further weakness in the pound and continuing nervousness about short-term interest rates again relegated potential buyers to the sidelines in stock markets yesterday.

After a slightly harder opening, mainly reflecting bear covering after the recent sharp decline, British Funds moved erratically on divided fears and hopes ahead of the Minimum Lending Rate *declaration; quotations steadied* after the no-change decision and final prices at the short-end of the market were ⅛ to ¼ firmer on balance. News of the ½ per cent rise to 7 per cent. in some U.S. Prime Rates appeared to have been discounted. Mediums and longs, however, ended without alteration. The Government Securities index hardened 0.03 to 61.32, but has sustained a loss of 2.51 over the last seven trading days.

Leading equities closed well above the worst, mainly on bear closing, with the FT 30-share index ending only 0.8 lower at 380.4 after having been down 5.3 at 1 p.m. At yesterday's close, however, *the index is at its lowest* for the year and showed a fall of 40.4, or 9.6 per cent., over the last 18 trading days since it reached its 1976 peak of 420.8.

Second line issues came under a little more selling pressure than of late and barely figured in the afternoon's steadier tendency. The widespread nature of the setback was reflected in the *4-1 majority* of falls over rises in FT-quoted Industrials. The FT-Actuaries All-Share index lost 1.1 per cent. more to a fresh 1976 "low" of 157.82, *making a fall of 5.97 per* cent. on the week.

Helped by the fresh weakness in sterling, the investment dollar premium improved further to 118 per cent. in very thin trading, before easing at the close on a few institutional selling orders to 117½ per cent., leaving another gain of 2 points on balance. Yesterday's SE conversion factor was 0.6784 (0.6867).

Banks shade easier

The big four Banks closed with minor losses after a thin trade. **Midland** closed 3 lower at 265p, after extremes of 270p and 262p, while **National Westminster** were similarly off at 225p, after 222p. Discounts were easier in places, while Merchant Banks continued to lose ground. **Slater Walker Securities**, 17p, on the other hand, recovered a penny of the previous day's fall of 4. In dull Hire Purchases, **F.C. Finance** gave up 5 to 22p and **Cattles** lost 3 at 17p.

Breweries were inclined harder in thin trading. Press comment on the first-half figures helped *Bass Charrington pick up 2 at 94p*.

W. W. Hall featured Buildings late, rising 17 to 34p on the agreed bid from **Geo. Wimpey** (a penny easier at 48p). **International Paint**, at 315p, gave up 15 of the previous day's rise of 35p which followed the results, while **Wettern Bros.** reacted 4 to 66p on the reduced earnings.

ICI took a turn for the better, the old closing 3 up at 338p and the new nil-paid shares finishing 2 harder at 35p premium. Elsewhere in Chemicals, **Allida Packaging** receded 4 to 73p.

Stores steadier

Stores became a quieter market and closed just a shade easier on *overnight levels. "Gussies" "A"* were finally 2 cheaper at 185p, after 188p, while Marks and Spencer, 91p, and UDS, 79p, shed a penny apiece. Among secondary issues, **W. H. Smith "A"** *reacted 4* more to 334p for a two-day fall of 18. **Vantona** were noteworthy for a loss of 6 at 85p. **Martin the Newsagent** eased 2 to 140p in front of Monday's interim report, while Jewellers had **Ratners** 2 cheaper at 51p and **H. Samuel "A"** 3 off at 126p. **Empire Stores**, 2 up at 8p, were notably firm in otherwise easier Mail Orders.

Leading Electricals picked up from earlier lower levels to close mainly little-changed on balance. Exceptions to the rule were **Thorn Electrical**, 6 down at 228p, and **Philips' Lamp**, which contrasted with a rise of 26 to 926p on the firmness of the investment premium. **Reyrolle Parsons**, after *easing to 111p, picked up following* the annual meeting to 113p to leave a loss of 2 on the day. Elsewhere, **United Scientific** receded 9 to 119p and **Ward and Goldstone** 7 to 80p.

With the nationalisation passage seemingly cleared now following the Government's one-vote victory, Shipbuilding shares were generally steadier yesterday. Marked higher at the outset, **Swan Hunter** touched 49p then eased back to 46p before closing unchanged on the day at 47p, but leaving a fall *of 9 on the week*. **Hawthorn Leslie** touched 49p before finishing a net penny dearer at 46p and **Robb Caledon** advanced to 43p before closing unaltered at 40p. **Vosper**, on the other hand, not liking the Government's win, cheapened 3 to 75p, and **Yarrow** lost 6 to 176p, after 173p. The Engineering majors were fea*tured by Hawker, which finally* responded to the prospect of a lucrative Jump-Jet Harrier aircraft contract and favourable Press mention to close 6 better *at 440p*. **GKN**, *however*, eased 3 more to 310p, and **Vickers** were similarly off at 175p. Elsewhere, **Herbert Morris**, 112p, retrieved the previous day's fall of 6 which followed the Monopolies Commission strong rejection of the planned merger with Amalgamated Industrial.

Small sales and lack of buying interest left Foods with widespread losses. **British Sugar** were outstanding at 330p, down 13, while **J. Lyons**, 96p, and **Associated Dairies**, 200p, fell 4 and 10 respectively. **Tate and Lyle** eased 2 to 263p, after 260p, for a loss on the week of 24. **Cavenham** were also 2 cheaper at a 1976 "low" of 118p. Supermarkets had **Wheatsheaf Distribution** 4 easier at 130p *on further consideration of the* preliminary results.

Hotels and Caterers gave ground, **Norfolk Capital** losing a penny at 10p and **Centre Hotels (Cranston)** shading 1½ to 20p. **Isle of Man Enterprises** ended a penny easier at 39p on the interim loss.

Avon Rubber better

Miscellaneous Industrial leaders fluctuated uncertainly in thin trading before ending just a little easier for choice. **Beecham** managed a net gain of 3 at 368p, after 363p, leaving a fall of 16 on the week. **Bowater** were finally a penny easier at 201p, after 196p. Elsewhere, **Avon Rubber** recovered 3 to 71p and **Caravans International** 2 to 39p on fresh consideration of their respective half-year reports. **Pentland Industries** hardened a fraction to 7p on the profits advance. **A. Arenson**, on the half-year loss, declined 2 to 35p. **Giltspur** receded 5½ to 27p, **Baxter Fell** 10 to 88p, and **Robert McBride** 9 to 163p, while **Winsor and Newton** were quoted ex the 100 per cent. scrip issue at 77p, down 3.

Motors and Distributors had an easier bias, **Associated Engineering** losing 2 more at 84½p on further consideration of the interim report. **Lex Service** also shed 2 to 30p, while **British Car Auction**, 39p, and **Dowty**, 149p, gave up 3 apiece. **Lucas** touched 194p before rallying well to close unchanged on the day at 200p.

DRG featured Paper/Printings with a fall of 7 to a 1976 "low" of 110p. **Inveresk** lost another 2½ to 60p and **Jefferson Smurfit** receded 5 to 139p, while Publishers had **Morgan Grampian** losing 4 more at 74p for a two-day loss of 9.

Ranger Oil rise

The Oil share market made a much steadier showing yesterday in fairly light trading. **Shell Transport** managed to close 3 better at 443p, after 440p, and **Royal Dutch**, buoyed by the rising *investment premium, put on 1½* points to £40¼. **British Petroleum**, still reflecting its Alaskan pipeline troubles, ended 2 softer at 652p, after 650p, leaving a fall on the week of 32; the first-quarter results are due next Thursday. **Burmah** finished a penny better at 40p, after 38p, while **Ultramar** recouped an initial loss of 4 to end unchanged at 150p. Among Canadian issues, **Ranger Oil**, reflecting the Ninian Oilfield financing deal, ended 1½ points up at £15, after a high for the year of £15¾, while **Sunningdale** recorded a gain of ⅞ at £14, after £14¼. **Siebens Oil and Gas (U.K.)** made an advance of 12 at 140p in a thin market.

Property leaders fluctuated narrowly before ending with small gains, helped by the unchanged Minimum Lending Rate. Favourable Press comment ahead of the interim results, due June 8, helped **MEPC** to rally initially to 65p; the shares subsequently came back to 62p before hardening again to end a net 2 better at 64p. **Land Securities** finished *similarly harder at 153p*. Elsewhere, **Keith and Henderson** hardened 2 more to 88p on takeover speculation, while **Inter-european Properties**, 59½p, recouped 3 of the recent fall which reflected fading bid hopes.

Overseas Traders closed modestly easier in places. **Inchcape** were 4 cheaper at 411p and **Ocean Wilsons** 3 off at 118p.

Trusts and Financials continued easier. **Jersey External** lost 9 to 114p, while **Second Alliance** gave up 7 to 142p as did **Triplevest Capital** to 85p. **Charterhouse Group** were friendless at 43p, down 5.

Shippings passed a quiet session and closed easier for choice, **Walter Runciman** ended 7 off at 121p following the chairman's statement.

Press comment on the preliminary results helped **Courtaulds**, at 138p, retrieve 4 of the previous day's fall of 9. Elsewhere in Textiles, **S. Jerome** hardened 2 to 43p and **Stirling Knitting** were a penny better at 15p, but **Leeds and District Dyers and Finishers** gave up 3 to 46p as did **Toray**, to 41p.

Bats remained dull in Tobaccos, falling 8 *more* to 363p, for a decline on the week of 26. **Imps**, however, moved between narrow extremes of 76p and 74p before closing unaltered at 75p.

South African Industrials were inclined firmer, **Primrose** closing 7 higher at 142p and **OK Bazaars "A"** finishing 30 to the good at 500p.

In dull Plantations, **Peacock Sasini** were lowered 3 to 44p to match the bid terms offered by **Warren Tea** (2 easier at 94p).

Golds react

The mid-week rally in Gold shares came to a halt yesterday following the reaction in the bullion price, which was finally 50 cents off at $125.875 per ounce in front of next Wednesday's International Monetary Fund auction.

The Cape, which was closed on Thursday for the Ascension Day holiday, was a seller of Golds, but the firmness of the investment dollar premium had a cushioning effect on prices.

In the afternoon, a modest U.S. demand helped prices recover further, but the Gold Mines index was still 4.3 lower on the day at 173.3, although 10.5 higher over the week.

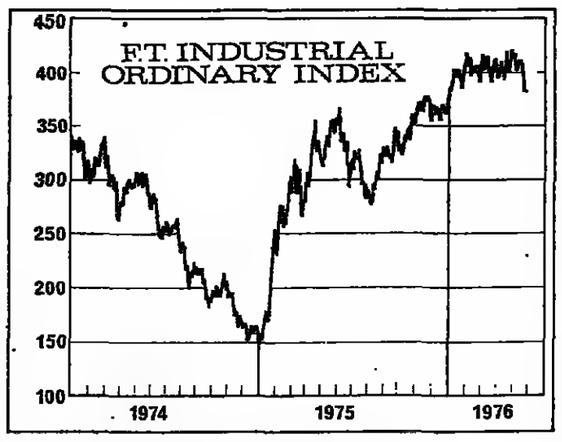
Overseas-based Financials were little affected by the decline of the bullion price. **GFSA** gained a point to £17½.

The London-based Financials eased afresh in line with U.K. Industrials, **Selection Trust** being 10 lower at 465p.

In Coppers, **Messina** jumped 20 *to 285 following a Cape demand*, but **RCM**, which announced an increased loss for the past quarter on Thursday, closed 3 off at 133p, after 145p.

Australians generally improved in response to the better trend in overnight home markets and the higher premium. **Pancontinental** rose a point to £10¾ on talk of a pending announcement regarding the Australian/foreign equity participation.

Elsewhere, **Tara Exploration** advanced a half-point to £13½ on news of the Navan mine go-ahead.



FINANCIAL TIMES STOCK INDICES

	May 28	May 27	May 26	May 25	May 24	May 21	A year ago
Government Secs.	61.32	61.29	61.96	62.52	62.30	62.86	57.84
Fixed Interest	61.64	61.75	62.27	62.86	62.54	63.22	57.96
Industrial Ordinary	380.4	381.2	390.5	399.0	397.4	401.6	345.1
Gold Mines	173.3	177.6	164.4	157.9	161.5	162.8	429.0
Ord. Div. Yield	5.66	5.65	5.53	5.42	5.50	5.37	6.04
Earnings Y'ld % (full)(a)	16.09	16.25	15.89	15.56	15.81	15.45	18.00
P/E Ratio (net) (a)(b)	9.21	9.08	9.27	9.47	9.33	9.56	7.88
Dealings marked	6,938	7,517	6,963	6,372	6,858	6,493	6,340
Equity turnover £m	—	65.24	50.25	41.92	48.48	55.01	77.36
Equity bargains total	—	17,914	17,214	17,275	16,387	16,527	19,414

10 a.m. 383.5. 11 a.m. 381.1. Noon 378.2. 1 p.m. 375.9. 2 p.m. 375.9. 3 p.m. 377.3.

Latest Index 01-246 8026.

(a) Based on 52 per cent. corporation tax. (b) Nil=9.13.

Basis 100 Govt. Secs. 15/10/26. Fixed Int. 1928. Ind. Ord. 1/7/35. Gold Mines 12/9/55. SE Activity July-Dec. 1942.

HIGHS AND LOWS

—	1976 High	1976 Low	Since Compilation High	Since Compilation Low
Govt. Secs.	65.21 (30/1/76)	60.19 (2/1/76)	127.4 (9/1/35)	49.18 (3/1/75)
Fixed Int.	64.45 (2/2/76)	59.75 (2/1/76)	150.4 (28/11/47)	50.53 (3/1/75)
Ind. Ord.	420.8 (4/5/76)	380.4 (28/5/76)	545.6 (19/5/72)	49.4 (26/6/40)
Gold Mines	246.9 (2/1/76)	140.1 (5/4/76)	442.3 (22/5/75)	43.5 (26/10/71)

S.E. ACTIVITY

—	May 28	May 27
Daily—		
Gilt-Edged	185.4	191.6
Industrials	249.9	264.5
Speculative	62.5	66.4
Totals	157.9	166.5
5-day Av'r'ge.		
Gilt-Edged	189.9	184.9
Industrials	247.6	245.0
Speculative	60.2	56.5
Totals	156.7	154.7

MONTHLY AVERAGES OF STOCK INDICES

—	May	Apr.	Mar.	Feb.
Financial Times				
Govmnt Secs	62.78	61.39	62.10	[illegible]
Fixed Interest	62.73	61.63	61.74	[illegible]
Industrial Ord.	406.6	406.0	404.7	[illegible]
Gold Mines	176.3	163.4	176.9	[illegible]
Dealings mkd.	6,044	6,542	6,880	6,312
F.T. Actuaries				
Indust'l Grp.	160.70	160.03	162.70	[illegible]
500-Share	179.14	177.06	175.29	[illegible]
Financial Grp.	134.07	136.40	132.64	[illegible]
All Share (650)	167.72	166.44	165.75	167.79
20-year Govt.	50.43	49.66	49.56	51.43
Red. Debs	51.66	49.61	49.96	50.96

	High	Low
Industrial Ord.	420.8 (4th)	380.4 (28th)
All-Share	171.66 (3rd)	157.82 (28th)

BASE LENDING RATES

Allied Irish Banks Ltd.	10½%
American Express Bank	10½%
Anglo-Portuguese Bank	11 %
Henry Ansbacher	11½%
Banco de Bilbao	11 %
Banco de Jerez	10½%
Bank of Cyprus	11 %
Bank of N.S.W.	10½%
Banque du Rhone S.A.	11½%
Barclays Bank	10½%
Barnett, Christie Ltd.	12 %
Bremar Holdings Ltd.	11½%
Brit. Bank of Mid. East	10½%
■ Brown Shipley	11 %
Canada Permanent AFI	11 %
Cayzer, Bowater Co. Ltd.	11 %
Cedar Holdings	11 %
■ Charterhouse Japhet	11 %
C. E. Coates	11 %
Consolidated Credits	11 %
Co-operative Bank	*10½%
Corinthian Securities	11 %
Credit Lyonnais	10½%
G. R. Dawes	11½%
Duboff Brothers	11 %
Duncan Lawrie	10½%
English Transcont.	11 %
First London Secs.	11 %
■ Antony Gibbs	11 %
Goode Durrant Trust	10 %
Greyhound Guaranty	11 %
Grindlays Bank	‡10½%
■ Guinness Mahon	10½%
■ Hambros Bank	11 %
Hawtin & Partners	13 %
■ Hill Samuel	§11 %
C. Hoare & Co.	†10½%
Julian S. Hodge	11½%
Hongkong & Shanghai	10½%
Industrial Bank of Scot.	9½%
Keyser Ullmann	11 %
Knowsley & Co. Ltd.	12½%
Lloyds Bank	10½%
London & European	11 %
London Mercantile	11½%
Midland Bank	10½%
■ Samuel Montagu	10½%
■ Morgan Grenfell	10½%
National Westminster	11 %
Northern Comm. Trust	11 %
Norwich General Trust	11 %
Portman Guaranty	9½%
P. S. Refson & Co.	10½%
Rossminster Accept'ces	11 %
Schlesinger Limited	11 %
E. S. Schwab	12 %
Security Trust Co. Ltd.	12 %
Shenley Trust	12½%
Standard Chartered	10½%
Trade Development Bk.	10½%
Twentieth Century Bk.	11½%
United Bank of Kuwait	10½%
Whiteaway Laidlaw	11½%
Williams & Glyn's	10½%
Yorkshire Bank	10½%

■ Members of the Accepting Houses Committee.

* 7-day deposits 8½%, 1-month deposits 8¾%.

† 7-day deposits on sums of £10,000 and under 8½%, up to £25,000 7¾% and over £25,000 7¾%.

§ Demand deposits 8½%.

‡ Call deposits over £1,000 8½%.

CORAL INDEX
Close 377-382

INSURANCE BASE RATES

† Atlantic Assurance	10½%
Cannon Assurance	8½%

† Address shown under Insurance and Property Bond table.

F.T.—ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, The Institute of Actuaries and the Faculty of Actuaries

	EQUITY GROUPS / GROUPS & SUB-SECTIONS (Figures in parentheses show number of stocks per section)	Friday, May 28, 1976: Index No.	Day's Change %	Est. Earnings Yield % (Max. Corp. Tax 52%)	Gross Div. Yield % (ACT at 35%)	Est. P/E Ratio (Net) (Corp. Tax 52%)	Est. P/E Ratio (Nil) (Corp. Tax 52%)	Thurs. May 27 Index No.	Wed. May 26 Index No.	Tuesday May 25 Index No.	Monday May 24 Index No.	Year ago (approx.) Index No.	1976 High	1976 Low	Since Compilation High	Since Compilation Low
1	CAPITAL GOODS (179)	145.30	−1.5	15.65	6.17	9.52	9.42	145.65	149.49	151.83	151.95	123.14	160.06	145.30	208.37	50.71
2	Building Materials (30)	128.95	−1.1	13.72	7.08	11.06	11.04	130.52	134.46	136.56	136.03	106.31	150.18	128.95	235.84	44.27
3	Contracting, Construction (23)	197.36	−1.8	19.15	5.41	6.09	6.09	200.85	206.43	210.81	212.10	220.60	260.20	197.26	369.35	71.48
4	Electricals (16)	259.65	−1.4	15.85	4.77	9.32	9.05	263.27	269.91	276.19	272.68	213.49	287.30	250.60	350.04	86.71
5	Engineering (Heavy) (13)	171.56	−1.7	21.98	6.97	7.10	7.10	174.56	179.69	183.97	185.76	151.14	193.18	165.90	202.57	94.43
6	Engineering (General) (63)	135.14	−1.7	15.96	6.59	9.39	9.31	135.48	138.94	140.72	141.60	109.96	149.29	125.48	168.59	45.14
7	Machine and Other Tools (9)	54.43	−1.9	15.90	7.35	12.85	12.81	55.50	57.49	58.25	58.21	46.14	60.62	51.19	136.70	19.96
8	Miscellaneous (25)	129.76	−2.1	14.76	6.52	10.56	10.26	132.49	135.79	136.93	138.12	115.98	141.94	121.35	177.41	49.65
9	CONSUMER GOODS (DURABLE) (53)	122.86	−2.6	16.76	5.58	8.90	8.85	126.16	130.12	132.06	132.50	84.91	141.46	121.87	227.78	38.39
10	*Lt. Electronics, Radio TV* (15)	134.91	−2.9	14.71	6.03	9.98	9.97	138.95	142.69	145.04	145.10	94.60	160.35	134.91	257.41	42.86
11	Household Goods (13)	171.99	−2.1	18.01	6.71	8.44	8.42	175.64	179.56	182.53	182.88	140.08	187.22	163.58	263.22	63.92
12	Motors and Distributors (25)	75.17	−2.4	19.48	6.94	7.78	7.74	77.00	80.21	81.15	81.47	46.79	85.16	70.05	170.59	19.91
13	CONSUMER GOODS (NON-DURABLE) (168)	145.35	−1.3	14.50	6.24	10.46	10.37	147.25	151.11	153.97	152.82	138.72	162.24	145.35	226.08	61.41
14	Breweries (15)	154.09	−0.1	14.61	7.11	10.27	10.27	154.23	158.34	159.32	159.70	152.04	179.43	150.25	281.67	69.47
15	Wines and Spirits (7)	176.41	−1.0	10.78	5.74	14.19	14.19	178.18	181.62	182.69	184.39	164.71	190.67	173.82	257.40	78.71
16	Entertainment, Catering (14)	167.13	−1.9	14.59	7.59	10.56	10.47	170.54	176.20	179.66	180.35	148.57	211.26	167.13	329.99	54.87
17	Food Manufacturing (22)	164.39	−1.5	15.39	5.28	9.92	9.86	166.58	170.88	172.66	173.00	147.93	179.44	162.69	211.65	59.78
18	Food Retailing (16)	134.99	−1.9	12.38	5.35	11.77	11.77	137.64	141.19	142.69	141.16	143.85	150.05	134.99	255.06	54.25
19	Newspapers, Publishing (16)	163.78	−1.6	12.77	6.32	12.03	12.05	166.23	168.98	171.28	168.90	144.81	184.54	166.47	250.29	55.08
20	Packaging and Paper (12)	99.63	−3.3	17.54	7.87	8.54	8.54	103.00	105.64	106.59	106.90	99.75	112.50	99.63	185.69	43.46
21	Stores (34)	117.22	−0.9	13.24	5.89	11.63	11.61	118.32	121.37	123.44	122.44	125.80	136.24	117.22	204.39	52.63
22	Textiles (23)	154.80	−0.1	9.65	7.58	14.86	13.20	154.90	163.39	165.84	165.41	136.45	163.19	154.80	253.72	62.66
23	Tobaccos (3)	220.58	−2.4	19.77	6.42	7.72	7.72	226.00	229.21	231.62	232.89	185.72	241.89	211.56	339.16	94.54
24	Toys and Games (6)	72.42	−2.5	20.95	7.43	6.65	6.65	74.32	75.75	76.49	77.33	41.30	78.73	69.15	155.72	20.92
	OTHER GROUPS (96)															
25	Chemicals (26)	209.94	−0.1	11.85	5.54	11.75	11.75	210.10	213.66	217.54	217.91	176.43	231.58	199.45	251.58	71.20
26	Office Equipment (9)	92.66	−2.3	12.86	5.60	11.50	11.30	94.75	96.94	97.22	97.96	93.26	100.18	85.09	246.06	46.34
27	Shipping (12)	374.75	−1.1	14.55	6.92	9.54	8.69	379.02	388.56	392.41	389.38	376.47	432.64	355.52	517.00	90.80
28	Miscellaneous (49)	154.97	−1.7	14.38	7.12	10.37	10.36	157.71	162.54	164.66	163.79	146.89	172.98	154.97	258.85	60.59
29	INDUSTRIAL GROUP (496)	150.14	−1.3	14.49	6.10	10.28	10.19	152.11	156.01	158.16	158.14	135.58	165.58	150.14	230.17	59.01
30	OILS (4)	379.66	+0.2	11.27	4.32	10.36	9.49	379.00	384.54	390.46	390.08	278.77	395.84	351.54	451.66	87.23
31	500 SHARE INDEX	168.87	−1.1	13.96	5.90	10.27	10.06	170.67	174.73	177.18	177.13	147.48	184.00	167.31	227.95	63.49
32	FINANCIAL GROUP (100)	125.83	−1.1	—	6.86	—	—	127.20	130.82	133.21	131.79	136.52	153.46	125.83	241.41	55.88
33	Banks (6)	154.68	−0.7	19.99	5.47	7.69	7.69	155.95	158.15	162.54	159.53	155.59	192.16	152.95	288.52	62.44
34	Discount Houses (10)	155.77	−0.7	—	8.88	—	—	156.95	161.72	161.56	157.73	155.07	186.52	152.20	295.15	81.40
35	Hire Purchase (5)	93.64	−2.2	—	6.98	—	—	95.74	102.68	105.55	103.47	91.68	132.10	93.64	433.72	38.85
36	Insurance (Life) (9)	104.01	−2.0	—	6.86	—	—	106.14	110.40	112.68	111.69	111.05	129.46	104.01	194.46	44.88
37	Insurance (Composite) (7)	98.17	−1.7	—	7.15	—	—	99.90	102.99	104.20	103.51	111.82	119.75	98.17	155.76	43.96
38	Insurance Brokers (9)	261.91	−1.2	6.42	4.39	15.78	15.78	265.03	258.98	262.15	264.14	198.40	276.90	216.26	276.90	65.86
39	Merchant Banks (16)	75.45	−1.5	—	7.61	—	—	74.57	77.75	78.32	78.29	83.17	93.88	73.43	273.57	31.21
40	Property (32)	152.96	+0.5	3.43	3.51	[illegible]	52.64	152.17	156.10	161.25	159.25	198.86	194.57	152.17	357.40	56.01
41	Miscellaneous (6)	72.74	−3.0	17.97	7.75	6.71	6.71	75.68	78.09	78.70	78.57	69.40	91.98	72.74	303.13	33.29
42	Investment Trusts (50)	155.15	−1.0	3.38	4.86	30.90	30.78	156.08	160.61	163.00	165.49	166.10	184.55	155.15	245.79	71.66
43	ALL-SHARE INDEX (650)	157.82	−1.1	—	6.77	—	—	159.57	163.84	165.96	165.65	145.31	172.64	157.82	228.18	61.92
	COMMODITY GROUPS (*Not included in 500 or All-Share indices*)															
44	Rubbers (9)	496.77	−0.5	11.99	6.86	12.57	12.39	499.28	505.04	506.98	505.63	503.77	523.40	404.67	555.87	84.68
45	Teas (8)	134.60	−0.5	31.30	8.80	4.33	4.19	135.34	136.39	135.69	137.33	93.97	140.44	117.89	140.44	59.72
46	Coppers (3)	228.03	+2.2	43.34	7.54	2.31	2.31	223.04	217.31	224.28	225.96	462.90	301.47	178.95	567.78	94.08
47	Mining Finance (11)	107.00	+0.4	9.76	4.69	11.49	11.40	106.62	104.49	106.01	105.95	141.34	119.77	86.19	175.90	66.31
48	Tins (8)	105.65	−0.5	11.47	8.38	12.69	12.03	106.19	107.22	106.64	106.45	112.46	115.14	86.09	125.43	54.83
49	Overseas Traders (13)	228.52	−1.1	14.51	4.52	8.97	8.95	231.12	237.23	239.28	239.82	241.08	254.47	228.52	254.47	97.37

	FIXED INTEREST	Friday, May 28 Index No.	Yield %	Thurs. May 27	Wed. May 26	Tuesday May 25	Monday May 24	Friday May 21	Thurs. May 20	Wed. May 19	Year ago approx.	1976 High	1976 Low	Since Compilation High	Since Compilation Low
1	Consols 2½% yield	—	14.18	14.18	13.97	13.77	13.87	13.66	13.56	13.47	14.93	—	—	—	—
2	20-yr. Govt. Stocks (6)	48.62	‡13.37	48.63	49.43	50.09	50.00	50.59	51.22	51.48	47.10	53.45	47.56	115.42	38.27
3	20-yr. Red. Deb. & Loans (15)	51.80	14.29	51.85	52.12	52.28	52.24	52.40	52.37	52.14	45.80	52.40	46.68	113.45	37.01
4	Investment Trust Prefs. (15)	48.03	14.43	48.03	48.76	48.76	48.76	48.76	49.35	49.45	42.56	51.23	46.50	114.41	34.45
5	Coml. and Indl. Prefs. (20)	65.58	14.46	65.83	66.07	66.20	66.38	66.99	67.15	67.29	59.09	71.97	65.76	114.95	47.67

Section or Group	Base Date	Base Value	Section or Group	Base Date	Base Value
Overseas Traders	31/12/74	100.00	Food Retailing	29/12/67	114.13
Engineering (Heavy)	31/12/71	153.84	Insurance Brokers	29/12/67	96.67
Engineering (General)	31/12/71	153.84	Mining Finance	29/12/67	100.00
Wines and Spirits	16/1/70	140.76	All Other	10/4/62	100.00
Toys and Games	16/1/70	135.72			
Office Equipment	16/1/70	162.74			
Industrial Group	31/12/70	128.20			
Miscellaneous Financial	31/12/70	128.06			
Food Manufacturing	29/12/67	114.13			

‡ Redemption yield. FT-Actuaries indices are calculated by Extel Communications Limited (a member of the Exchange Telegraph Group) on an IBM 370 computer.

A list of the constituents of the FT-Actuaries Share Indices is now available from the Publishers, the Financial Times, Bracken House, Cannon Street, London, EC4P 4BY, price 13p. By post 20p.

A record of the indices, cost £20, is obtainable from FT Business Enterprises, 10, Bolt Court, London, EC4. It gives all group and sub-section indices at fortnightly intervals since the start of the series in 1962 with quarterly highs and lows. Dividend and earnings figures are also included.

MONEY + EXCHANGES

MLR unchanged

Bank of England Minimum Lending Rate 11½ per cent. (since May 21, 1976)

The Treasury bill rate rose by 0.0128 per cent. to 10.9983 per cent. at yesterday's tender and Bank of England Minimum Lending Rate was unchanged at 11½ per cent. The minimum accepted bid was £97.25½ compared with £97.26 previously and bids at that level were met as to about 99 per cent. The £600m. bills offered and allotted attracted bids of £636.39m. and all bills offered were allotted. Next week a further £600m. will be on offer, replacing maturities of £550m.

Day-to-day credit was in very good supply and the authorities absorbed surplus funds by selling a very large amount of Treasury bills to the discount houses and banks. Surplus balances were carried forward by the banks, Government disbursements exceeded revenue payments to the Exchequer, and the market was also helped by maturing Treasury bills. On the other hand there was an increase in the note circulation, repayment was made of Thursday's official advances to the market, and oil royalty payments were also against the market's favour.

Discount houses paid 9-9½ per cent. for secured call loans at the start and closing balances were found at 6½-7 per cent.

Rates in the table below are nominal in some cases.

May 28 1976	Sterling Certificates of deposit	Interbank	Local Authority deposits*	Local Auth. negotiable bonds	Finance House deposit	Company deposits	Discount market deposits	Treasury bills ⊕	Bank Bills ⊕	Fine trade Bills ⊕
Overnight	—	9-9½	—	—	—	11	6½-9½	—	—	—
2 days notice	—	—	10¼-10½	—	—	—	—	—	—	—
7 days or 7 days notice	—	9¾-10⅝	10½-10⅞	—	—	—	9-9¾	—	—	—
One month	11-10⅞	10⅞-11⅟₁₆	10⅞-11	12-11¼	11¼-11½	—	10⅝-10¾	11⅛-10⅞	11¼-11⅛	12⅛-11¾
Two months	11⅛-11⅛	11⅛-11⅛	—	12-11¼	11¼-11¾	—	10¾	11⅛-11⅟₁₆	11⅜-11⅝	12⅛-12
Three months	11⅞-11⅞	11⅞-11⅞	11½-11⅝	12-11¼	11⅞-12	—	10¾-10⅞	11⅛-11⅟₁₆	11⅞-11⅞	12⅛-12
Six months	12-11¾	11¾-12	11½-11⅞	12-11½	11½-12¼	—	—	—	12-11¾	12⅛
Nine months	12¼-11⅞	12-12½	—	12¼-12	12¼-12½	—	—	—	—	—
One year	12½-13	12-12¼	12⅜-12½	12½-12¼	12½	—	—	—	—	—
Two years	—	—	12¾-13	—	—	—	—	—	—	—

* Local authority and finance houses seven days' notice, others seven days' fixed. * Longer-term local authority mortgage rate nominally three years 13-13½ per cent.; four years 13¼-13¾ per cent.; five years 13½-13⅞ per cent. ⊕ Bank bill rates in table are buying rate for prime paper; buying rates for four-month bank bills 11⅝ per cent.; and four-month trade bills 12½ per cent. Approximate selling rate for one-month Treasury bills 10¹⁵⁄₁₆-10⅞ per cent.; two-month 10⅞ per cent.; and three-month 10¹⁵⁄₁₆ per cent. Approximate selling rate for one-month bank bills 11⅛-10⅞ per cent.; two-month 11⅛ per cent.; and three-month 11³⁄₁₆-11⅛ per cent.; for one month trade bills 12⅛-11¾ per cent.; two-month 12⅛-11¾ per cent. and three-month 12⅛-11⅞ per cent.

Finance House Base Rates (published by the Finance Houses Association) 10 per cent. from June 1, 1976. Clearing Bank Deposit Rate for small sums at seven days' notice 6½-7 per cent. Clearing Bank Base Rate for lending 10½-11 per cent. Treasury Bill average tender rate of discount 10.9655 per cent.

EXCHANGES AND BULLION

Sterling fell sharply in the foreign exchange market yesterday, though the level of trading remained fairly low ahead of the holiday week-end in the U.K. and U.S. The pound closed at its worst ever closing level against the dollar, at $1.7580-1.7590, a fall of 1½ cents on the day. Sterling opened at $1.7720-1.7730 and was around $1.7650 at mid-day. During the afternoon selling orders from Europe and New York pushed the rate down to around $1.7500 at one point, but throughout the day there was little indication of support for the pound by the Bank of England.

Sterling's trade-weighted average depreciation since the Washington Currency Agreement, as calculated by the Bank of England, widened to a record low of 39.6 per cent. from 39.2 per cent. after standing at 39.4 per cent. at noon and 39.1 per cent. in early dealings.

Market sources suggested that the unchanaged Bank of England Minimum Lending Rate had little effect on sterling.

The U.S. dollar remained very *firm, helped by the increase in* U.S. banks' prime lending rates. Its trade-weighted average depreciation, since the Washington Agreement, as calculated by Morgan Guaranty of New York, narrowed to 1.14 per cent. from 1.33 per cent. The Swiss franc continued to improve however, closing at Sw.Frs.2.46 against the dollar, compared with Sw.Frs. 2.46375 previously.

Gold fell $¾ to close at $125½-126½.

FOREIGN EXCHANGES

May 28 1976	Bank Rates %	Market Rates: Day's Spread	Market Rates: Close
New York	5½	1.7500-1.7750	1.7580-1.759
Montreal	8½	1.7130-1.7385	1.7225-1.7235
Amsterdam	4	4.62-4.68	4.63½-4.64½
Brussels	7	69.50-70.50	69.75-69.85
Copenh'gen	8½	10.77-11.86	10.77¾-10.78¾
Frankfurt	3½	4.54½-4.58½	4.55¼-4.56¼
Lisbon	6½	54.00-54.60	54.15-54.35
Madrid	†7	119.10-120.50	119.25-119.45
Milan	12	1,482-1,497	1,485-1,486
Oslo	6	9.72-9.84	9.74-9.75
Paris	8	8.29-8.38	8.30-8.31
Stockholm	5½	7.81-7.90	7.81¾-7.82¾
Tokyo	6½	525-535	527-530
Vienna	6	32.50-33.10	32.45-32.55
Zurich	2½	4.31½-4.38½	4.32¼-4.33¼

* Base discount. † Given rates are for convertible francs. Closing financial franc 78.35-78.75.

OTHER MARKETS

			Notes Rates
♦Argen'na	246.59-246.78	Argentina	600-700
Australia	1.4238-1.4420	Austria	32-33½
Brazil	18.42-18.62	Belgium	70-72
Finland	6.87-6.89	Brazil	21-24
Greece	63.836-65.536	Canada	1.72-1.76
H'gKong	8.5775-8.6225	Denmark	10.7-10.8
Iran	122-124	France	8.25-8.45
Kuwait	0.513-0.523	Germany	4.50-4.70
Luxemburg	69.75-69.85	Greece	66-67
Malaysia	4.5025-4.5225	Italy	1600-1700
N. Zealand	1.7782-1.7944	Japan	535-565
Saudi Arab	6.15-6.26	Nether'lds	4.75-4.85
Singapore	4.4515-4.4750	Norway	9.65-9.85
S. Africa	1.5179-1.5450	Portugal	54-57
U.S.—		Spain	114½-118
Canada		Switz'land	4.30-4.50
C$1—		U.S.	1.75½-1.76½
U.S. cents	102.02-102.06	Yugosla'ia	61½-64

Based on rates quoted by special dealers. ♦ Rate given is Official Rate. BCRA Rate 438.02-439.22.

FORWARD RATES

—	One month	Three months
New York	0.85-0.75 c.pm	2.60-2.40 c. pm
Montreal	0.35-0.25 c.pm	1.10-1.00 c. pm
Amst'dam	3-2 c.pm	8⅞-7⅞ c.pm
Brussels	20 c.pm-par	60-40 c. pm
Cop'nhg'n	2¼-¼ ore pm	4¼-2¼ ore pm
Frankfurt	3¼-2¼ pf. pm	10-9 pf pm
Lisbon	20 c.pm-20 c. dis	50 c.pm-50 c.dis
Madrid	par-50 c. dis	50-100 c. dis
Milan	8-18 lire dis	28-38 lire dis
Oslo	Not available	Not available
Paris	2¼-1¼ c. pm	4½-3½ c. pm
Stockh'lm	3-1 ore pm	8½-6½ ore pm
Vienna	30-10 gro pm	75-45 gro pm
Zurich	4¼-3¼ c. pm	[illegible] c. pm

Six-month forward U.S. dollar 4.60-4.50c pm and 12-month 8.55-8.45c pm.

EXCHANGE CROSS-RATES

May 28	Frankfurt	New York	Paris	Brussels	London	A'sterdam	Zurich
Frankfu't	—	2.591-32	54.21-29	6.457-496	4.558-564	94.18-25	105.8-15
N. York	38.58-60		21.16-16	2.48-490	1.7580-90	38.35-36	40.65-66
Paris	182.30-70	4.721-731		11.52-95	2.296-34	171.73-2.15	191.73-2.15
Brussels	15.7.50	39.55-59	8.57-40		10.08-24	14.40-43	16.03-7
London	4.55-56¼	1.7580-90	8.30-31	69.75-95		4.63½-64½	4.32¼-3¼
Am'rd'm	106.12-17	2.6378-750	58.22-56	6.833-604	4.642-648	—	111.81-86
Zurich	94.77-97	2.459-461	52.01-10	6.135-175	4.320-335	89.46-60	—

U.S. $ in Montreal. U.S. $=97.90-92 Canadian cents.
Canadian $ in New York. C$=101.96-101.98 U.S. cents. U.S. $ in Milan 843.60-844.60
Sterling in Milan 1486.00-86.30

EURO-CURRENCY INTEREST RATES*

May 28 1976	Sterling	U.S. Dollar	Canadian Dollar	Dutch Guilder	W. German mark	Swiss franc
†Short term	10-10½	5¼-5⅝	8-9	4⅝-4⅞	3½-3¾	⅛-⅝
7 days notice	10⅝-11¼	5⅝-5⅞	9-10	4⅝-4⅞	3½-3¾	¾-1
Month	12-12½	6-6½	9½-9¾	4⅝-4⅞	3⅝-3¾	1⅜-1½
Three months	12⅛-12⅝	6¼-6⅝	9½-9¾	4⅞-5⅛	3¾-3⅞	1½-1⅞
Six months	12⅝-13⅛	7⅛-7⅝	9¾-10	5½-5¾	4⅜-4⅝	2⅛-2⅝
One year	13-13½	7½-8	9½-10	5½-6⅛	4⅝-5⅛	3-3⅛

Euro-French deposit rate: two-day 5-5½ per cent.; seven-day 5-5½ per cent.; one-month 5¾-6¼ per cent.; three-month 9½-10½ per cent.; six-month 10½-10¾ per cent.; one-year 10-10½ per cent.

Long-term Eurodollar deposits: two years 8¼-8⅝ per cent.; three years 8⅝-8¾ per cent.; four years 8¾-9¼ per cent.; five years 8¾-9¼ per cent.

The following nominal rates were quoted for London dollar certificates of deposit: one month 5¹⁵⁄₁₆-5¹³⁄₁₆ per cent.; three months 6¾-6⅝ per cent.; six months 7¾-7⅝ per cent.; one year 7¹³⁄₁₆-7¹¹⁄₁₆ per cent.

* Rates are nominal closing rates.

† Short-term rates are call for sterling, U.S. dollars and Canadian dollars; two-days notice for guilders and Swiss francs.

GOLD MARKET

	May 28	May 27
Gold Bullion (a fine ounce)		
Close	$125½-126½	$126-126¾
Opening	$126-126½	$126½-127¼
Morning fix'g	$125.25 (£70.675)	$126.40 (£71.191)
Afternoon fix'g	$125.50 (£71.226)	$126.20 (£71.171)
Gold Coins (domestically)		
Krugerrand	$128½-130½ (£73¼-74¼)	$130¼-132¼ (£73½-74½)
New Sov'r'gns	$45½-47½ (£26-27)	$45½-47½ (£25¾-26¾)
Old Sov'r'gns	$43-45 (£24½-25½)	$43¼-45¼ (£24½-25½)
Gold Coins (intern'nally)		
Krugerrand	$129-131 (£73½-74½)	$130¼-132¼ (£73½-74½)
New Sov'r'gns	$46½-47½ (£26-27)	$45¼-47¼ (£25¾-26¾)
Old Sov'r'gns	$40¼-42¼ (£23-24)	$40-42 (£22¾-23¾)
$20 Eagles	$208-211	$208-211
$10 Eagles	$104-107	$104-107
$5 Eagles	$74-77	$74-77

SPECIAL DRAWING RIGHT RATES

One SDR is equal to	May 28	May 27
Sterling	0.647920	0.644808
U.S. dollar	1.14295	1.14434
Belgian franc	46.5829	n.a.
Deutsche mark	2.96053	n.a.
French franc	5.40120	n.a.
Italian lire	964.490	n.a.
Japanese yen	342.479	342.959
Dutch guilder	3.14191	n.a.
Swedish krone	5.07375	n.a.
Swiss franc	2.81504	n.a.

Values are for currencies against the SDR as calculated by the International Monetary Fund in Washington.
n.a. not available.

AUTHORISED UNIT TRUSTS

…ey Unit Tst. Mgrs. Ltd. (a)(g)

…Gatehouse Rd., Aylesbury. 0296 5941

…ey Capital	23.0	24.5	-0.4	4.18
…ey Income	28.0	29.8	-0.4	5.79
…ts Inv. Tst. Fd.	25.8	27.4	-0.6	4.11
…ey Gen. Tst.	34.6	36.8	-0.4	4.11

…ed Hambro Group (a) (g)

…bro Hse., Hutton, Brentwood, Essex. …28 2851 or Billericay (02774) 53

…sbacher Unit Mgmt. Co. Ltd.

…oble St., E.C.2V 7JH 01-606 4010

…Monthly Fund	124 0	134 0	…	10 40

…buthnot Securities Ltd. (a) (c)

…Leven St., E'burgh EH3 9LH 031-229 1421

Deal. ‡Mon. *Tues. ††Wed. ‡Thurs. **Fri.

…chway Unit Tst. Mgs. Ltd.♥ (a)(c)

…St. Mary Axe, EC3A 8BN. 01-283 4141

…chway Fund	65.8	70.8	…	5.86

Price at May 19. Next sub. day June 16.

…arclays Unicorn Ltd. (a) (g)

…icorn Hse., 252 Romford Rd., E.7. 01-534 5544

*Prices at May 28. Next sub. day June 30.

…aring Brothers & Co. Ltd.♥ (a)(x)

…, Leadenhall St., E.C.3. 01-588 2830

…ration Tst.	158.4	166.6	…	4.76
…o. Accum.	176.6	184.0	…	4.76

Next sub. day June 10.

…ishopsgate Progressive Mgmt. Co.♥

Bishopsgate, E.C.2. 01-588 6280

…ge Pr. *May 25	126.7	135.0	…	3.99
…c. Unit May 25	143.1	152.5	…	3.58
…gat Int.† May 18	132.8	142.9	…	2.62
…cm.Uts.† May 18	140.6	151.2	…	2.62

Next sub. day †June 1. *June 8.

Brandts Ltd.♥

36, Fenchurch St., E.C.3. 01-626 8599

Brandts Cap.	95.0	102.0	…	2.18
Do. Accum.	106.5	113.5	…	2.10
♦Brandts Inc.	117.0	124.0	…	7.60

Next sub. day June 3.

Bridge Talisman Fd. Mgrs.♥ (a)(c)

5-8, Mincing Lane, E.C.3. 01-623 4051

BT Income	186.0	200.0	…	7.80
BT Capital Inc.	26.1	27.8	…	4.17
BT Capital Acc.	27.1	28.9	…	4.17
BT Exempt	92.0	98.0	…	5.09
BT Intl. Inc.	13.2	14.1	…	3.24
♦BT Inter'l Acc.	13.6	14.5	…	3.24

Prices on May 26. Next sub. day June 2.

The British Life Office Ltd.♥ (a)

Reliance Hse., Tunbridge Wells, Kt. 0892 22271

BL British Life	41.0	42.8	-0.7	5.34
BL Balanced*	36.3	38.6	…	5.39
BL Capital*	34.5	36.5	…	4.60
BL Dividend*	34.6	36.6	…	7.27

*Prices on May 26. Next dealing June 2.

Brown Shipley & Co. Ltd.♥(x)(c)

Mngrs. Founders Ct., EC2. 01-600 8520

BS Units*	156.2	164.8	…	5.73
Do (Accum.)*	182.6	192.8	…	5.73
BS Exempt May 1	183.5	193.0	…	4.75

Prices on May 25. Next sub. day June 2.

Canada Life Unit Tst. Mngrs. Ltd.♥

2-6 High St., Potters Bar, Herts. P Bar 51122

Can. Gen. Dist.	30.2	31.7	-0.4	4.49
Do. Gen. Accum.	34.4	36.2	-0.4	4.49
Do. Inc. Dist.	27.3	28.8	-0.2	8.41
Do. Inc. Accum.	31.9	33.6	-0.2	8.41

Capel (James) Mngt. Ltd.♥

100 Old Broad St., EC2N 1BQ 01-588 6010

Capital	64.6	68.0	…	3.60
Income	57.5	60.6	…	6.72

Prices on May 19. Next dealing June 2.

Carliol Unit Fd. Mgrs. Ltd.♥ (a)(c)

Milburn House, Newcastle-upon-Tyne 21185

Carliol	57.8	60.3	…	3.36
Do. Accum. Units	65.4	68.1	…	3.36
Do. High Yield	32.3	34.1	…	9.00
Do. Accum. Units	34.7	36.7	…	9.00

Next dealing June 2.

Charterhouse Japhet♥

1 Paternoster Row, EC4 01-248 3999

CJ Internat'l	23.4	25.0	…	2.30
Accum. Units	26.2	28.0	…	2.30
CJ Income	30.6	32.6	…	8.90
CJ Euro. Fin.	26.0	27.8	…	2.80
Accum. Units	28.6	30.4	…	2.80
CJ. Fd. Inv. Tst.	22.2	23.8	…	3.05
Accum. Units	24.4	26.0	…	3.05

Price on May 26. Next dealing June 2.

Confederation Funds Mgt. Ltd.♥ (a)

120 Regent St., W1R 6AY 01-437 2040

Growth Fund	36.2	37.9	…	4.80

Cosmopolitan Fund Managers.

Roche House, London End, Beaconsfield, Bucks. (04946) 71225

Cosmopoln. Gth. Fd.	14.4	15.5	-0.3	5.60

Coyne Investment Mgmt. Ltd.

72-80, Gatehouse Rd., Aylesbury. 0296 5941

Coyne Growth	19.0	20.0	-0.1	5.09

Crescent Unit Tst. Mgrs. Ltd. (a) (g)

4 Melville Cres., Edinburgh 3. 031-226 4931

Crescent Growth	20.6	21.8	-0.5	4.38
Cres. Internat'l	43.9	47.3	+0.1	1.87
Cres. High. Dist.	35.3	37.9	-0.6	8.46
Cres. Reserves	30.6	32.9	-0.5	4.25

Discretionary Unit Fund Managers

Equitas Secs. Ltd. (a) (g)

Equity & Law Un. Tr. M.♥ (a)(b)(c)

Amersham Rd., High Wycombe. 0494 33377

Equity & Law	50.4	53.0	-0.5	4.45

Framlington Unit Mgt. Ltd.♥

5-7, Ireland Yard, EC4B 5BH. 01-248 6971

Capital Tst.	58.6	62.2	…	4.95
Income Tst.	57.0	60.6	…	7.31

Friends' Provdt. Unit Tr. Mgrs♥

Pixham End, Dorking. 0306 5055

Friends Prov. Uts.	29.2	31.2	-0.5	5.02
Do Accum.	35.1	37.5	-0.6	5.02

G.T. Unit Managers Ltd.♥

16, St. Martin's-le-Grand, EC2. 01-600 8461

G.T. Cap. Inc.	58.7	62.4	-3.0	2.90
Do. Acc.	67.4	72.7	-3.4	2.90
G.T. Inc. Fd. Un.	102.0	108.5	-5.0	8.90
G.T. U.S. & Gen.	124.2	132.1	-0.7	1.80
G.T. Japan & Gen.	200.3	213.0	…	0.60
♦Gt. Pens. Ex. Fd.	118.2	124.0	…	2.29

G. & A. Tst. (a) (G)

5, Rayleigh Rd., Brentwood. (0277) 227300

G. & A.	24.4	26.1	-0.4	5.54

Gartmore Fund Managers♥(a)(g)

2, St. Mary Axe, EC3A 8BP. 01-283 3531

(z)American Tst.	24.3	26.1	-0.1	2.00
British Tst. (Acc.)	33.8	36.3	-0.8	3.91
Capital Fund	119.3	127.7	-2.5	3.78
High Income Tst.	38.8	41.7	-0.5	10.23
Income Fund	48.9	52.6	-0.8	8.29
Ins. Agencies	£12.68	13.63	-0.07	3.55
Int'l Exempt Fd.	79.0	85.0	-1.0	6.14
(z)Int. Tst. (Acc.)	28.1	30.2	…	2.24

Gibbs (Antony) Unit Tst. Mgs. Ltd.

23, Blomfield St., EC2M 7NL. 01-588 4111

(a) A.G. Income*	28.0	30.1	…	10.70
(a) A.G. Growth†	25.6	27.8	…	5.40
(a)A.G. Far East*	23.2	25.0	…	0.30

Dealing *Tues. ††Wed.

Govett (John)♥

77, London Wall, E.C.2. 01-588 5620

Stockhldr. May 21	114.6	122.0	…	1.55
Do. Accum. Unit	135.5	143.0	…	1.56

Next dealing day June 4.

Grieveson Management Co. Ltd.

59 Gresham St., EC2P 2DS. 01-606 4433

Bar'ton May 26	168.8	176.8	…	4.33
(Accum. Units)	172.7	180.9	…	4.33
Brng. H.Yd. May 27	127.7	133.8	…	9.40
(Accum. Units)	130.7	136.9	…	9.40
Endeavour May 25	154.2	161.5	…	2.98
G'chstr. May 28	93.9	98.4	-3.8	2.92
Ln. Brush. May 28	66.0	69.0	…	5.18

Guardian Royal Ex. Unit Mgrs. Ltd.

Royal Exchange, EC3P 3DN. 01-628 8011

(ag) Guardhill Tst.	67.4	69.0	-0.9	4.58

Henderson Administration

Premier U.T. Admin., Rayleigh Road, Brentwood, Essex. 0277 227300.

11, Austin Friars, EC2N 2ED

*For tax exempt funds only

Hill Samuel Unit Tst. Mgrs.† (a)

45 Beech St., EC2P 2LX 01-628 8011

(b) British Trust	119.4	127.8	-2.0	5.37
(g) Int'l Trust	32.0	34.4	…	2.93
(g) Dollar Trust	63.9	68.4	…	2.85
(b) Capital Trust	22.9	24.5	-0.1	5.36
(b) Financial Trust	72.5	77.6	-1.2	4.59
(b) Income Trust	21.5	23.0	-0.5	6.76
(b) Security Trust	40.5	43.4	-0.7	5.51
(b) High Yield Tst.	21.1	22.6	-0.5	8.42

Intel.♥ (a) (g)

18, Christopher Street, E.C.2. 01-247 7243

Intel. Inv. Fund	79.0	85.0	…	4.44

Ionian Unit Tst. Mngmnt. Ltd.♥

64, Coleman Street, E.C.2. 01-638 5068

Key Fund Managers Ltd. (a) (g)

25, Milk St., EC2V 8JE. 01-606 7070

Key Capital Fund	48.8	51.6	-1.0	4.80
Key Energy In. Fd.	52.4	55.7	-0.6	4.12
♦Key Exempt Fd.	87.2	92.8	…	7.15
♦Key Income Fund	53.7	57.1	-2.3	8.16
Key P.I.F.	55.0	58.3	-1.3	5.13

Kleinwort Benson Unit Managers♥

20, Fenchurch St., E.C.3. 01-623 8000

K.B. Unit Fd. Inc.	60.8	65.6	-3.2	5.03
♦K.B. UnitFd.Ac.	69.7	75.0	-3.8	5.03

L & C Unit Trust Management Ltd.♥

The Stock Exchange, EC2N 1HP 01-588 2800

L&C Inc. Fd.	97.8	102.9	…	8.43
L&C Intl & Gen Fd	86.2	88.9	…	2.92

Lawson Securities Ltd. (a)(c)♥

63 George St., Edinburgh EH2 2JG. 031-226 3911

‡Raw. Materials	25.1	26.9	-0.2	8.00
‡(Accum. Units)	25.1	26.9	-0.2	8.00
*Scottish	65.8	71.6	…	3.60
*(Accum. Units)	66.9	72.7	…	3.60
††Gilt and Warrant	26.6	28.9	…	2.84
‡American Fd.	22.5	24.7	…	1.50
‡(Accum. Units)	22.8	25.0	…	1.50
**High Yield	36.5	41.3	…	12.40
**(Accum. Units)	43.5	49.0	…	12.40

Deal. ‡Mon. *Tues. ††Wed. ‡Thurs. **Fri.

Legal & General Tyndall Fund♥

18, Canynge Road, Bristol. 0272 32241

Dis. May 12	47.0	49.8	…	5.18
(Accum. Units)	54.6	57.8	…	5.18

Next sub. day June 16

Leonine Administration Ltd.

2 Throgmorton Street, EC2 2AN 01-238 1171

Leo Cap. Fund	49.2	51.8	-0.3	7.64

Lloyds Bk. Unit Tst. Mngrs. Ltd.♥(a)

Registrar's Dept., Goring-by-Sea, Worthing, West Sussex. 01-623 1288

First (Balncd.)	39.3	42.0	-0.5	4.83
Do. (Accum.)	50.1	53.8	-0.4	4.83
Second (Cap.)	42.6	45.7	-0.8	3.53
Do. (Accum.)	50.7	54.5	-0.3	3.53
Third (Income)	64.4	69.2	-0.3	6.79
Do. (Accum.)	80.0	86.0	-0.4	6.79
Fourth (Ex Inc.)	44.7	48.0	-0.6	8.76
Do. (Accum.)	45.3	48.7	-0.7	8.76

Lloyd's Life Unit Tst. Mngrs. Ltd.

72-80, Gatehouse Rd., Aylesbury. 0296 5941

Equity Accum.	107.0	112.6	-5.3	5.26

London Wall♥(a)(g)

1, Finsbury Square, EC2A 1PD. 01-606 5011. Unit Dealing: 18, Canynge Rd., Bristol BS99 7UA. 0272 32241

Capital Priority	55.8	59.7	-0.7	4.65
Extra Inc. Growth	24.2	26.0	-0.7	10.94
Do. Accum.	24.2	26.0	-0.7	10.94
Financial Pr'rty	12.6	13.5	-0.2	4.32
Do. (Accum.)	14.2	15.2	-0.2	4.32
High Inc. Priority	42.0	44.9	-0.5	8.20
London Wall Int.	25.4	27.1	+0.1	2.40
Special Sits.	17.1	18.2	-0.3	4.68
Stronghold Units	27.6	29.6	-0.4	5.28

M & G Group ♥ (x) (c) (z)

Three Quays, Tower Hill, EC3R 6BQ. 01-626 4588

See also Stock Exchange Dealings

ManuLife Management Ltd.♥

P.O. Box 21, Stevenage. 0438 56101

Growth Units	36.6	38.5	-2.5	4.22

Mercury Fund Managers Ltd.

30, Gresham St., EC2P 2EB. 01-600 4555

Merc. Gen. May 26	120.0	127.2	…	5.01
Accts. Units May 26	145.8	153.7	…	5.01
Merc. Int. May 26	54.0	58.3	…	3.61
Acc. Units May 26	64.9	69.0	…	3.61

Midland Bank Group Unit Tst. Mngrs. Ltd.

Courtwood House, Silver Street, Head, Sheffield, S1 3RD. Tel: 0742 79842

Commodity & Gen.	44.7	48.1	-0.4	6.39
Do. Accum.	46.8	50.3	-0.4	6.39
Growth	34.2	36.8	-0.3	2.63
Do. Accum.	35.0	37.2	+0.5	2.63
Capital	23.4	24.9	-0.2	3.03
Do. Accum.	24.0	25.6	-0.2	3.03
Income	37.1	39.5	-0.5	6.42
Do. Accum.	38.1	40.6	-0.5	6.42
International	46.4	49.4	+0.3	2.22
Do. Accum.	47.6	50.4	+0.3	2.22

Minster Fund Managers Ltd.

Minster Hse., Arthur St., E.C.4. 01-623 1050

Minster Fund	26.8	28.4	-1.5	4.95
Do. Exempt	64.2	68.2	-4.4	4.79

MLA Unit Trust Mgemnt. Ltd.

Old Queen Street, SW1H 9JG. 01-930 7333

MLA Units	23.8	25.0	5.00

Mutual Unit Trust Managers♥(a)(g)

15, Copthall Ave., EC2R 7BU. 01-606 4803

Mutual Sec. Plus	39.7	42.7	-0.7	5.98
Mutual Inc. Tst.	51.0	55.0	-1.1	7.36
Mutual Blue Chip	34.6	37.6	-0.5	6.30
Mutual High Yld.	44.0	47.8	-1.0	9.03

National Provident Inv. Mngrs. Ltd.♥

48, Gracechurch St., EC3P 3HH 01-623 4200

*Prices May 19. Next dealing June 2. **Price at May 27. Next dealing day June 24.

National Westminster♥ (a)

41, Lothbury, EC2P 2BP 01-637 8044

Capital (Accum.)	54.3	58.0	-0.3	4.05
Income	29.2	31.1	-0.4	6.19
Financial	31.3	33.4	-0.2	4.33
Growth Inv.	81.6	87.4	-0.8	4.33
Extra Inc.	53.6	57.2	-0.8	7.66

NEL Trust Managers Ltd. ♥ (a)(g)

Milton Court, Dorking, Surrey 5911

Nelstar	51.5	54.2	-0.5	4.51

New Court Fund Managers Ltd. (g)

72-80, Gatehouse Rd., Aylesbury. 0296 5941

Norwich Union Insurance Group

Oceanic Managers

Pearl Trust Managers Ltd. (a) (g) (z)

Pelican Units Admin. Ltd. (g)(x)

1 Fountain St., Manchester 061-236 5685

Pelican Units	55.3	58.0	-0.5	5.35

Perpetual Unit Trust Mngmt.♥ (a)

48 Hart St., Henley on Thames 04912 6868

P'petual Gp. Gth.	110.2	117.3	…	3.62

Piccadilly Unit T. Mgrs. Ltd.♥ (a)(b)

65, London Wall, EC2 01-628 0991

Practical Invest. Co. Ltd.♥(y)(c)

Europe Hs., Wld. Tr. Centre, E1 01-623 8893

Practical May 26	116.0	125.1	…	3.96
Accum. Units	154.2	166.3	…	3.96

Provincial Life Inv. Co. Ltd.♥

222, Bishopsgate, E.C.2. 01-247 6533

Prolific Units	63.8	68.3	-0.2	2.96
High Income	73.1	78.3	-1.3	8.71

(e)Prudl. Unit Tst. Mngrs.♥(a)(b)

Holborn Bars, EC1N 2NH. 01-405 9222

Prudential	92.5	97.0	-1.5	4.61

Quilter Management Co. Ltd.♥

The Stk. Exchange, EC2N 1HP. 01-600 4177

Quadrant	96.1	98.1	…	5.18

Reliance Unit Mgrs. Ltd.♥

Reliance Hse., Tunbridge Wells, Kt. 0892 22271

Opportunity Fd.	43.6	46.1	…	4.92

Remigium Management Ltd.♥

City-Gate Hs., Finsbury Sq., EC2 01-606 1066

Rowan Secs. Fd.	121.5	125.0	…	4.02

Next sub day June 2

Rthchld. & Lwnds. Mgrs. Ltd. (a)

St. Swithin's Lane, Ldn., EC4. 01-626 4356

New Ct. Exempt	£102.0	108.0	…	3.56

Prices on May 17. Next dlg. June 15

Rowe & Pitman Management Ltd.♥

City-Gate Ho., Finsbury Sq., EC2. 01-606 1066

Renan Int. Fd.	69.4	73.6	…	2.81

Next sub. day June 7

Royal Tst. Can. Fd. Mgrs. Ltd.

54, Jermyn Street, S.W.1. 01-629 8252

Capital Fund	64.0	67.5	-3.6	3.91
Income Fund	64.4	67.9	-1.3	7.33

Prices at May 28. Next dealing June 15

Save & Prosper Group(a)

4, Gt. St. Helens, London, EC3. 01-588 1717. Dealings to 01-554 8899. Erskine House, 68-73 Queen Street, Edinburgh, EH2 4NX. 031-226 7351

Save & Prosper Group Ltd.

4, Great St. Helens, London EC3P 3EP. Erskine House, 68-73 Queen Street, Edinburgh EH2 4NX. Dealings to: 01-554 8899 or 031-226 7351

Save & Prosper Securities Ltd.

International Funds

Scotbits Securities Ltd.♥

*Prices on May 26. Next sub. day June 3. **Prices on May 25. Next Sub. day June 9

J. Henry Schroder Wagg & Co. Ltd.♥

120, Cheapside, E.C.2. 01-248 6252

Capital May 25	78.0	80.8	…	3.34
(Accum. Units)	90.1	93.3	…	3.34
Income May 25	134.5	139.3	…	7.30
(Accum. Units)	175.5	182.9	…	7.30
General May 26	57.9	60.3	…	4.17
(Accum. Units)	67.6	70.4	…	4.17
Europe May 27	31.7	33.7	…	2.79
(Accum. Units)	33.5	35.6	…	2.79
*Pn'Chs May 25	129.8	132.9	…	4.13
*Spec. Ex. May 11	142.5	146.9	…	3.83
*Recovery May 11	134.4	138.5	…	4.94

*For tax exempt funds only

Scottish Equitable Fnd. Mgrs. Ltd.♥

28 St. Andrews Sq., Edinburgh 031-556 9101

Income Units	42.5	45.2	…	5.20
Accum. Units	44.6	47.4	…	5.20

Dealing day Tuesday

Sebag Unit Tst. Managers Ltd.♥ (a)

PO Box 511, Bcklbry. Hse., E.C.4. 01-236 5000

Sebag Capital Fd.	25.5	26.7	-0.2	4.03
Sebag Income Fd.	24.7	25.9	-0.3	9.05

Security Selection

8 The Crescent Minories, EC3N 2LY 01-488 4313

Unv. Gth. Tst. Acc.	22.3	23.8	…	2.96
Unv. & Gth. Tst. Inc.	20.4	21.8	…	2.96

Slater Walker Tst. Mgmnt. (a) (g)

3 London Wall Buildings, London Wall, London EC2M 5QL. 01-638 0478 0479

Target Tst. Mgrs. Ltd.♥(a)(g)

7-9 Breams Bldgs., EC4A 1EU. 01-242 0777

Tgt. Inc.	20.6	22.2	-0.3	11.00
Tgt. Pref.	12.5	13.5	-0.1	12.78

Target Tst. Mgrs. (Scotland) (a)(b)

19, Athol Crescent, Edin. 3. 031-229 8621/2

Target Eagle	22.2	23.7	…	5.00
Target Thistle	31.4	33.6	-0.4	6.12
Target Clymr.	46.5	49.7	…	12.13

Trades Union Unit Tst. Managers ♥

100, Wood Street, E.C.2. 01-628 8011

TUUT May 3	43.6	46.4	…	5.01

Transatlantic and Gen. Secs. Co.♥

91-99 New London Rd., Chelmsford 0245 51651

See also Grieveson Management

Trident Trusts(a)(g)

Schlesinger Trust Managers Ltd.

140, South Street, Dorking. (0306) 86441

*Next sub. day June 9

Tyndall Managers Ltd.♥

18, Canynge Road, Bristol. 0272 32241

Tyndall Nat. and Comm.♥

TSB Unit Tst. Managers Ltd.♥ (a)

Ulster Bank♥ (a)

Unit Trust Account & Mgmt. Ltd.

5-8, Mincing Lane, EC3M 3DX

Wieler Growth Fund

5-8 Mincing Lane, EC3M 3DX

Income Units	25.2	26.5	…	4.22
Accum. Units	26.2	27.6	…	4.22

REGIONAL MARKETS

A selection of the share prices previously shown under regional headings is presented below with quotations on London. Irish issues, most of which are not officially listed in London, are shown separately and with prices as on the Irish exchange.

						IRISH		
						Conv. 9% '80/82	£85¼	……
…bany Inv. 20p	19	……	Higsons Brew.	97	……	Alliance Gas	65	……
…h Spinning	34	……	I.O.M. Stm. £1	135	……	Arnott	225	……
…rlam	26	……	Holt (Jos.) 25p	235	……	Carroll (P.J.)	115	+3
…ig'wtr. Est. 50p	138	-7	Kleen-e-Ze	21	……	Clondalkin	44	……
…over Croft	30	……	Lovell's Ship £1	110	……	Concrete Prods.	99	……
…aig & Rose £1	350	……	N'thn. Goldsmith	38	……	Heiton (Hldgs.)	28	……
…son (R.A.)	18	……	P.M.A.	43	+1	Ind. News	41	……
…lis & McHdy.	69	……	Pearce (C. H.)	80	……	Ins. Corp.	140	……
…ans Fr'k 10p.	23	……	Peel Mills	16	……	Irish Distillers	85	……
…ered	10	……	RobbCaledonia	38	……	Irish Glass	33	……
…le Forge	45	……	Sayers 12½p	13	……	Irish Ropes	116	……
…inlay Pkg. 5p	16½	……	Sheffield Brick	85	……	Jacob	61	……
…ost & Reed 50p	152	……	Shef. Refrshmt.	140	……	Sunbeam	11	……
…ral Ship. £1	315	……	Shiloh Spinn.	28	……	T.M.G.	185	……
…llan Sleigh 10p	8	……	Sindall (Wm.)	52	……	Unidare	70	……

INSURANCE, PROPERTY, BONDS

Abbey Life Assurance Co. Ltd.

1-3 St. Paul's Churchyard, EC4. 01-248 9111

Equity Fund	28.8	30.4	…	—
Equity Acc.	23.0	24.3	…	—
Property Fd.	122.0	128.5	…	—
Property Acc.	119.2	125.5	…	—
Selective Fund	66.5	72.2	…	—
Convertible Fund	113.6	119.6	…	—
♥Money Fund	107.0	112.7	…	—
Pens. Property	129.5	136.4	…	—
Pens. Selective	62.7	66.1	…	—
Pens. Security	110.8	116.7	…	—
Pens. Managed	130.5	137.4	…	—
♥Prop. Fd. Ser. 4	100.4	105.7	…	—
♥Man. Fd. Ser. 4	102.1	107.5	…	—
♥Equity Fd. Ser. 4	24.2	25.5	…	—
♥Conv. Fd. Ser. 4	97.4	102.6	…	—
♥Money Fd. Ser. 4	97.6	102.7	…	—

Albany Life Assurance Co. Ltd.

31, Old Burlington St., W.1. 01-437 5962

AMEV Life Assurance Ltd.♥

Atlantic Assurance Co.

See under Property Growth Ass.

Barclays Life Assur. Co. Ltd.

252 Romford Rd., E.7.

Current unit value May 28.

Beehive Life Assur. Co. Ltd.♥

71, Lombard St., EC3.

For "Brandts Ltd." see "Lloyds Bk. Unit Tst. Mngrs."

Canada Life Assurance Co.

2-6 High St., Potters Bar, Herts. P Bar 51122

Cannon Assurance Ltd.♥

1 Olympic Wy., Wembley, HA9 0NB. 01-902 8876

Exec. Bald Unit	£10.36		-0.10	—
Exec. Equity Unit	9.89		-10	—
Exec. Prop. Unit	£10.19		…	—

Current value May 21.

Balance Bond	£10.36	10.96	-0.11	—
Equity Bond	9.49	9.98	-19	—
Property Bond	£10.69	11.31	…	—
Deposit Bond	99.8	105.6	…	—
Mngd. Accum. Unit		£1.101	…	—

Capital Life Assurance♥

Coniston House, Chapel Ash W'ton. 0902 28511

Key Inv. April 21		83.59	…	—

Chrthse. Japhet Life Ass. Co. Ltd.♥

1 Paternoster Row, EC4. 01-248 3999

Energy Bonds	28.4	30.0	…	—
Money Bds.	26.6	28.2	…	—
Managed Bds.	34.0	35.8	…	—
Equity Bds.	31.6	33.4	…	—

The City of Westminster Assur. Soc.♥

Ringstead House, 6 Whitehorse Road, Croydon, CR0 2JA. 01-684 9664

First Unit	86.1	90.4	…	—
Fourth Unit		57.9	…	—
Prty. Uns.	47.9	50.4	…	—

The City of Westminster Ass. Co. Ltd.♥

Ringstead House, 6 Whitehorse Road, Croydon, CR0 2JA. 01-684 9664

Westminster Managed Fund

Valuation day last working day of the month.

Commercial Union Group

St. Helen's, 1, Undershaft, EC3. 01-283 7500

Confederation Life Insurance Co.

Credit & Commerce Insurance

Crescent Life Ass. Co. Ltd.

Crusader Insurance Co. Ltd.

Eagle Star Insur/Midland Ass.

1, Threadneedle St., EC2.

Eagle/Mid. Units	39.1	40.6	-0.3	6.26

General Portfolio Life Ins. C. Ltd.♥

60 Bartholomew Cl., Waltham Cross. WX31971

Portfolio Fund		109.29	…	—
Portfolio Capital	40.8	47.2	…	—

Growth & Sec. Life Ass. Soc. Ltd.♥

United House, W.11. 01-229 8168

Flexible Finance		£1,037	…	—
Landbank Secs.		56.09	…	—
Landbank Scs. Ac.	109.2	112.1	…	—
G & S Super Fund		£7,775	…	—

Guardian Royal Exchange

Royal Exchange, E.C.3. 01-283 7107

Property Bonds	144.5	150.5	+5.6	—
Pen.Man.Fd.Uts.	119.1	125.3	…	—

Hambro Life Assurance Limited ♥

7 Old Park Lane, London, W1

Hearts of Oak Benefit Society

Euston Road, London, NW1 01-387 5020

Hearts of Oak	33.1	35.0	…	—

Hill Samuel Life Assur. Ltd.

NLA Tower, Addiscombe Rd., Croy. 01-686 4355

Imperial Life Ass. Co. of Canada

The Individual Life Ins. Co. Ltd.♥

Irish Life Assurance Co. Ltd.

11, Finsbury Square, EC2.

Blue Chd. May 20	61.4	64.6	…	3.90
Managed Fund	151.4	159.4	…	
Prop. Mod. Mar. 31	133.9	140.9	…	5.70
Prop. Mod. Gth.	138.5	145.7	…	5.70

King & Shaxson Ltd.

52 Cornhill, EC3. 01-623 5433

BondFd. Exempt	£108.31	109.67	…	—

Next sub June 2

Gilt Bonds	119.3	121.8	-0.1	—
Govt. Sec. Bd.	100.7	106.1	-0.1	—

Langham Life Assurance Co. Ltd.

Migdal Hse., Finsbury Sq., EC2. 01-628 8881

Langham 'A' Plan	59.8	62.9	…	—
Midas Bonds	40.5	42.6	…	—
♥Prop. Bond	114.0	120.0	…	—
Prop. Units (L.I.S.)	23.1	24.3	…	—
Wisp (SP) Man. Fd.	59.8	63.0	…	—

Life & Equity Assurance♥

1 Olympic Way, Wmbly., HA9 0NB 01-902 8876

Sel. Inv.	27.5	28.5	-0.5	—
Second Sel.	21.8	23.0	-0.5	—
♦Secure Res.	31.0	33.0	-0.5	—
Gilt Fund	23.5	25.5	…	—
Equity Fund	19.0	21.0	…	—
♦Deposit Fund	105.3	111.5	…	—
♦SelectiveAn.Fd.	68.5	72.5	-2.0	—

Life Assur. Co. of Pennsylvania

39-42 New Bond St., W1Y 0RQ. 01-493 8395

LACOP Units	822	86.2	-4	—

Lloyds Bk. Unit Tst. Mngrs. Ltd.

71, Lombard St., EC3. 01-623 1288

Exempt	86.2	92.4	…	8.19

Lloyds Life Assurance♥

12, Leadenhall St., EC3M 7LS. 01-623 6621

M & G Group♥

Magna Assurance Company Ltd.

Merchant Investors Assurance♥

NEL Pensions Ltd.

New Court Property Fund Mngrs. Ltd.

St. Swithins Lane, London, EC4.

NPI Pensions Management Ltd.

48, Gracechurch St., EC3P 3HH.

Prices June 1.

Norwich Union Insurance Group

PO Box 4, Norwich NR1 3NG.

Phoenix Assurance Co. Ltd.

4-5, King William St., EC4P 4HR. 01-626 9876

Wealth Ass.	90.8	95.7	…	—
Eb'r. Ph. Ass.		61.6	…	—
Eb'r. Ph.Eq.E.	60.8	63.8	…	—

Prop. Equity & Life Ass. Co.♥

119, Crawford Street, W1H 2AS. 01-486 0857

R. Silk Prop. Bd.		153.3	…	—
Do. Man. Bd.		69.9	…	—
Do. Equity Bd.		64.5	…	—

(Friday's price change incorrect)

Do. Fx. May Bd. Fd.		121.5	…	—
Do. Bal. Ag. Ser. 'II		100.7	…	—
Gilt Ed. & Gov. Sec.		206.2	…	—

Property Growth Assur. Co. Ltd.♥

Leon House, Croydon, CR9 1LU 01-680 0606

Prudential Pensions Limited♥

Reliance Mutual

Save & Prosper Group♥

Saveguard Assurance Limited♥

Schroder Life Group♥

Scot. Widows' Fnd. & Life Ass. Soc.

9, St. Andrew's Sq., Edinburgh EH2 2YD

Inv. Ply. May 21	322.9	332.4	…	—

Slater Walker Insurance Co. Ltd.

20 Uxbridge Road, W12. 01-749 9111

Sel. Mk. Fd. Cp. Unt.	46.6	49.4	-0.9	—
Sel. Mk. Fd. St. Unt.	79.1	78.5	-0.2	—

Sun Alliance Fund Mangmt. Ltd.

Sun Alliance House, Horsham. 0403 64141

Exp. Fd. Int. May 12	£115.30	118.80	…	—

Sun Life of Canada (U.K.) Ltd.

2, 3, 4, Cockspur St., SW1Y 5BH 01-930 5400

Mapleleaf May 26		152.9	…	—
Persnl. Pn. Fd.		147.7	…	—

Target Life Assurance Co. Ltd.

Target House, Gatehouse Rd., Aylesbury, Bucks. Aylesbury (0296) 5941

Transinternational Life Ins. Co. Ltd.

Trident Life Assurance Co. Ltd.

Tyndall Group♥

Vanbrugh Life Assurance♥

Welfare Insurance Co. Ltd.

Windsor Life Assur. Co. Ltd.

OFFSHORE AND OVERSEAS FUNDS

Albany Fund Management Co. Ltd.

P.O. Box 1549, Hamilton, Bermuda.

Albany Fund Ltd.	$C4.33	4.65	…	—

Arbuthnot Securities (C.I.) Limited

P.O. Box 127, St. Helier, Jersey. 0534 20681

Cap. Tst. (Jersey)	96.0	102.0	…	1.00

Next dealing date June 9.

East &Intl Tst.(C.I.)	96.0	101.0	…	—

Next dealing date June 10

Australian Selection Fund NV

Market Opportunities, c/o Irish Young & Outhwaite, 127 Kent St., Sydney.

1351 Shares		$US2.57	…	—

Next sub. day May 20.

Banque Bruxelles Lambert

2, Rue de la Regence B 1000 Brussels

Fd. Fidorem BF	930	957	-2	3.16
Renta Fund LF	1,859	1,916	…	8.67
Renta Cap. LF	3,959	4,080	-3	Cap

Bk. of London & S. America Ltd.

40-66, Queen Victoria St., E.C.4.

Barclays Unicorn Int. (Ch. Is.) Ltd.

1, Charing Cross, St. Helier, Jersey.

Barclays Unicorn Int. (I. O. Man) Ltd.

1 Thomas St., Douglas, I.o.M.

Bishopsgate Commodity Ser. Ltd.

194-200, Bishopsgate, EC2M 4PE.

Bridge Management Ltd.

Butterfield Management Co. Ltd.

P.O. Box 195, Hamilton, Bermuda.

Capital International S.A.

37 rue Notre-Dame, Luxembourg.

Charterhouse Japhet

1, Paternoster Row, EC4.

Cornhill Ins. (Guernsey) Ltd.

P.O. Box 157, St. Peter Port, Guernsey

Intl.Man.Fd. Apr 25	142.0	154.5	…	—

For "Darling Fund" see under "J. Henry Schroder Wagg"

Delta Group.

P.O. Box 3012, Nassau, Bahamas.

Delta Inv. May 25	$US1.30	1.36	…	—

Dreyfus Intercontinental Inv. Fd.

P.O. Box N3712, Nassau, Bahamas.

NAV May 18	$US12.13	13.29	…	—

F. & C. Mgmt. Ltd. Inv. Advisers

1-2, Laurence Pountney Hill, EC4R 0BA. 01-623 4680

Cen. Fd. May 18		$US3.63	…	—

Fidelity Mgmt. & Res. (Bda.) Ltd.

P.O. Box 670, Hamilton, Bermuda.

F.I.R.S.T. Managers Ltd.

First Viking Commodity Trust

Free World Fund Ltd.

G.T. Management Ltd. Ldn. Agts.

G.T. Management (Asia) Ltd.

Hambro Pacific Fund Mgemnt. Ltd.

2110, Connaught Centre, Hong Kong

Far East Fd. May 26	$HK9.02	9.49	…	3.50

Hambros (Guernsey) Limited

P.O. Box 86, St. Peter Port, Guernsey 0481 26521

C.I. Fund May 3	114.4	122.4	…	4.20
Int. Bond Fund		$US102.50	…	8.00

Haput Management Ltd.

305 Fu House, Ice House St., Hong Kong

HK & Pac U Tst.	$HK2.15	2.26	-0.08	3.50

Oliver Heath and Co. (IoM and Gib.)

4, Irish Place, Gib. GK245 Inf. (IoM)

Warrants Fund (X)	63.64	71.17	…	—

Henderson BSM Mgemnt. Ltd.

P.O. Box N4723, Nassau, Bahamas

Prices on May 24. Next dealing date June 8.

Hill-Samuel & Co. (Guernsey) Ltd.

Hill Samuel Overseas Fund S.A.

International Pacific Inv. Mngt. Ltd.

J.E.T. Managers (Jersey) Ltd.

Jardine Fleming & Co. Ltd.

For "Jersey Savings Bank" see "TSB Unit Trust Managers"

Kemp-Gee Management Jersey Ltd.

Keyselex Mngt. Jersey Ltd.

King & Shaxson Mgrs. (Jersey) Ltd.

1 Charing Cross, St. Helier, Jersey.

Kleinwort Benson Limited

20, Fenchurch St., EC3.

Lamont Investment Mngt. Ltd.

8 St. George's St., Douglas, I.o.M.

Lloyds Bk. (C.I.) U/T Mgrs.

Lloyds International Mgmt. S.A.

M & G Group (x)(c)(z)

Murray, Johnstone (Inv. Adviser)

Negit S.A.

Negit Ltd.

Neptune Intnl. Fnd. Mgrs.

Old Court Fund Mngrs. Ltd.

Old Court Commodity Fd. Mgrs. Ltd.

Save & Prosper (Jersey) Ltd.

Schlesinger Fnd. Mgrs. (Jersey) Ltd.

J. Henry Schroder Wagg & Co. Ltd.

120, Cheapside, E.C.2. 01-588 4000

Singer & Friedlander Ldn. Agents

01-248 9646

Slater Walker Ins. Co. (C.I.) Ltd.

Slater Walker Tst. Mgt. (Jersey) Ltd.

Surinvest Copper Trust Mngrs. Ltd.

Surinvest Trust Managers Limited

TSB Unit Trust Managers (C.I.) Ltd.

Target Trust Mgrs. (Cayman) Ltd.

Tokyo Pacific Holdings N.V.

Tokyo Pacific Hldgs. (Seaboard) N.V.

Tyndall Group

United States Tst. Intl. Adv. Co.

S. G. Warburg & Co. Ltd.

30, Gresham Street, EC2. 01-600 4555

Cnv. Bd. May 27		$US8.65	-0.05	—
Energy Int. May 27		$US13.32	-0.07	—
Gr.St.$Fd. April 30		$US7.10	…	—

Warburg Invest. Mngt. Jrsy. Ltd.

1 Charing Cross, St. Helier, Jsy. CI 0534 29041

CMF Ltd. April 29	$US10.21	10.47	…	—
CMT Ltd. April 29	£10.32	10.58	…	—
Metals Tst. May 20	£12.49	12.80	…	—
TMT May 13	$US11.29	11.69	…	—
TMT Ltd. May 13	£11.66	11.96	…	—

World Wide Growth Management♦

10a, Boulevard Royal, Luxembourg.

Wrld Wide Gth. Fd.	$US11.79		+0.03	—

NOTES

Prices do not include $ premium, where applicable, and are in pence unless otherwise indicated. Yields % (shown in last column) allow for all buying expenses. a Offered prices include all expenses. b Today's prices. c Yield based on offer price. d Estimated. g Today's opening price. h Distribution free of U.K. taxes. x Offered price includes all expenses except agent's commission. y Offered price includes all expenses if bought through managers. z Previous day's price ♥ Net of tax on realised capital gains unless indicated by ♦ $ Guernsey yield. ♦ Suspended. ★ Single premium insurance bonds.

FT SHARE INFORMATION SERVICE

**BRITISH FUNDS

1976 High	Low	Stock	£	+ or –	Yield Int	Red
		"Shorts" (Lives up to Five Years)				
99	92¾	Treasury 6½pc 1976‡‡	99	–⅛	6.57	10.91
98½	98⅛	Victory 4pc 1976‡‡	98⅝		4.04	
101	99⅛	Treasury 10½pc 1977‡‡	99⅝xd		10.54	11.26
98	95⅛	Treasury 6½pc 1977‡‡	95⅛		6.48	11.19
97¼	94½	Electric 3pc 74-77	95	+⅛	3.16	9.71
103	92⅞	Treasury 11½pc 1977‡‡	99⅞	–⅛	11.52	11.56
94½	91⅞	Treasury 3pc 1977‡‡	93⅜xd		3.21	7.79
94½	92¼	Transport 4pc 72-77	94xd	–⅛	4.25	8.20
99¼	90½	Treasury 9pc 1978‡‡	95¾		9.40	11.65
101½	97⅞	Treasury 10½pc 1978‡‡	97⅞		10.73	11.64
93½	89⅝	Exchequer 5pc 76-78‡‡	91⅛	+⅛	5.48	9.31
103⅛	98⅜	Treasury 11½pc 1979‡‡	98¼		11.65	12.01
88⅛	83⅝	Treasury 3pc 1979‡‡	85⅛		3.50	8.04
89½	73⅞	Electric 4½pc 74-79	86⅝	+⅛	4.91	8.96
100⅛	95⅛	Treasury 10½pc 1979‡‡	95⅞	–⅛	10.95	11.97
88½	83⅝	Electric 3½pc 76-79	85⅝	+⅛	4.09	8.37
96¾	91	Treasury 9pc 1980‡‡	91¾	–⅛	9.81	11.76
96½	92⅛	Treasury 9½pc 80‡‡	92¼	–⅛	10.30	12.01
86	82¼	Treasury 3½pc 77-80	84xd	+¼	4.17	8.29
88½	71	Funding 5¼pc 78-80‡‡	87xd	+⅛	6.03	9.13
103¼	97⅞	Treasury 11½pc 1981	97⅞	–⅛	11.77	12.14
86	79¼	Treasury 3½pc 1979-81	80	+⅛	4.37	8.76
95⅝	91¼	Treasury 9¾pc 1981‡‡	91⅞	–⅛	10.67	12.14
		Five to Fifteen Years				
94½	86½	Treasury 8¼pc 80-82‡‡	90		9.79	11.76
107¼	99½	Treasury 12pc 1983‡‡	100		12.31	12.54
81½	73¾	Funding 5½pc 82-84‡‡	76		7.24	10.09
87⅞	79⅞	Treasury 8½pc 84-86‡‡	84⅝		10.49	11.74
74⅞	68½	Funding 6½pc 85-87‡‡	68⅞		9.56	11.79
77⅞	71	Treasury 7¾pc 85-88‡‡	74½		10.79	12.37
52¼	45⅝	Transport 3pc 78-88	47xd		6.35	11.00
59¼	53½	Treasury 5pc 86-89	53½		9.46	12.25
103¾	96	Treasury 13pc 1990‡‡	99½		13.76	13.90
75⅞	68⅛	Treasury 8¼pc 87-90‡‡	68⅞xd		11.94	13.13
60	53⅝	Funding 5¾pc 87-91‡‡	53⅞		10.85	12.95
		Over Fifteen Years				
100½	87⅞	Treasury 12½pc 92‡‡	96¼		13.91	14.06
98½	85¼	Treasury 12½pc 93‡‡	94¼		13.97	14.14
97½	91½	Treas. 12½pc 93 A‡‡	93¼		13.97	14.14
56	50⅝	Funding 6pc 1993‡‡	52		11.83	13.36
75½	66⅛	Treasury 9pc 94‡‡	68⅝		13.18	13.77
36½	32½	Gas 3pc 90-95	32¼		9.23	12.23
100	87⅞	Treasury 12¾pc 95‡‡	91¼		14.06	14.16
75⅞	66⅝	Treasury 9pc 92-96‡‡	69		13.41	13.91
35½	31	Redemption 3pc 1986-96	32¼		9.30	11.92
102½	88	Treasury 13¼pc 97‡‡	95¼		14.17	14.21
104½	89¼	Do. 13¾pc '97 'A'‡‡	97⅞		14.19	14.29
70½	64½	Treasury 8¾pc 1997‡‡	66⅞		13.53	13.96
57⅞	50⅞	Treasury 6¾pc 95-98‡‡	51⅞		13.16	13.83
76	65½	Treasury 9½pc 1999‡‡	72¼		13.73	14.02
31½	27¼	Funding 3½pc 99-04	29⅞		12.48	13.39
65	56¾	Treasury 8pc 02-06‡‡	58⅞		13.88	14.05
48½	39⅝	Treasury 5½pc 08-12‡‡	41½		13.79	13.93
60⅞	52¼	Treasury 7¾pc 12-15‡‡	57⅞		14.04	14.09
		Undated				
30½	26½	Consols 4pc	28⅞		14.52	—
27⅞	24⅞	War Loan 3½pc‡‡	25¼xd		13.86	—
28⅞	25¼	Conv. 3½pc '61 Aft	26½		13.44	—
23¼	20⅝	Treasury 3pc 66 Aft	20⅞		14.70	—
19½	17	Consols 2½pc	18		14.19	—
19½	16⅞	Treasury 2½pc	17½		14.63	—

**INTERNATIONAL BANK

1976 High	Low	Stock	£	+ or –	Yield Int	Red
99½	98¼	5pc Stock 1976	99¼		5.06	11.58
73	68½	5pc Stock 77-82	72		7.08	11.77

**CORPORATION LOANS

COMMONWEALTH & AFRICAN LOANS

LOANS (Miscel.)

FOREIGN BONDS & RAILS

U.S. $ DM Prices exclude inv. $ premium

AMERICANS

S.E. List Premium 47½% (based on $1.7800 per £)

Conversion factor 0.6284 (0.6667)

CANADIANS

1976 High	low	Stock	£	+ or –	Div. Gross	Cvr	Y'ld Gr's
15	10½	Bk. Montreal $2	13	+⅛	$1.00	—	4.4
35½	29¾	Bk. Nova Scot. $2	34¼	–½	$1.60	—	2.6
41⅞	33¼	Bell Canada $25c	40		$3.44	—	4.5
23½	12	Bow Valley‡	23½	+1⅛	10c	—	0.2
990p	860p	Brascan‡	900	–20	$1.00	—	6.2
29⅞	19½	Can. Imp. Bk. $2	23	+⅛	$1.28	—	3.1
15½	10⅛	Can. Pacific $5	14⅞	+⅛	84½c	—	3.2
29⅛	26½	Do. 4pc Deb. £100	27¼xd	+⅛	4%	—	14.7
37⅞	21⅛	Gulf Oil Can.	26⅞xd		$1.00	—	2.1
670p	520p	Hawker Sid. Can.‡	525p		36c	—	3.5
31¼	22	Hollinger $5	£30½	+½	$1.80	—	3.5
16	12⅞	Hudson's Bay‡	16⅛	+¼	60c	—	2.0
34⅛	26⅛	Hud. B. Oil G. $2½	£31⅛	+½	$1.40	—	2.6
22¼	17	Imperial Oil‡	20½		80c	—	2.2
31¼	19½	Inco	27		$1.40	—	2.5
520p	660p	Int. Nat. Gas $1	765p		80c	—	5.9
24⅞	16	Massey Ferg.‡	21½		$1.00	—	2.6
27⅞	20⅛	Pacific Pet. $1	26⅞		80c	—	1.7
32p	24p	Place Gas $1	28½pd		—	—	—
29⅞	22⅝	Rio Algom	26¾xd	+⅛	$1.00	—	2.1
25⅛	20⅛	Royal Bk. Can. $2	24⅝	+⅛	$1.28	—	2.9
25¼	20⅛	Seagram Co. C$1	21¾	+⅝	80c	—	2.1
16⅞	13⅛	Tor. Dom. Bk. $1	15¾		70c	—	2.5
11	830p	Trans Can. Pipe‡	990p		88c	—	5.1
790p	660p	White Pass	750pd	+10	†35c	—	2.7

S.E. List Premium 47½% (based on $1.7250 per £)

BANKS AND HIRE PURCHASE

1976 High	Low	Stock	Price	+ or –	Div. Net	Cvr	Y'ld Gr's	P/E
250	205	Alexanders D. £1	205	–7	11.67	—	8.8	—
£120	£89	Algemene Fl 100	£92	+1½	Q21%	◆	4.1	◆
390	370	Allen Harvey £1	370		25.0	—	10.4	—
128	97½	Allied Irish	104xd	+1	Q6.89	—	6.6	—
60	40	Anglo Contnl.	41		—	—	—	16.5
195	155	Arbuthnot L. £1	165		†7.61	—	7.1	—
469	377	Aust & NZ $1	463σ	–4	†10.01	—	3.3	—

Hire Purchase, etc.

BEERS, WINES AND SPIRITS

BUILDING INDUSTRY, TIMBER & ROADS

BUILDING INDUSTRY—Continued

CHEMICALS, PLASTICS

CINEMAS, THEATRES AND TV

DRAPERY AND STORES

DRAPERY AND STORES—Continued

ELECTRICAL AND RADIO

ENGINEERING, MACHINE TOOLS

ENGINEERING—Continued

FOOD, GROCERIES, ETC.

HOTELS AND CATERERS

HOTELS—Continued

INDUSTRIALS (Miscel.)

INDUSTRIALS—Continued

1976 High	1976 Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's	P/E
51	43	Inclerlon Lamb	44	+1	†3.04	2.1	10.6	6.8
24	18	Ingall Inds. 10p	19	−1	g1.57	1.7	12.7	7.5
66½	57½	Initial Services	61	−2	†3.37	2.2	8.5	8.3
14½	11¼	Inter-City 20p	12	......	0.8	ϕ	10.7	9.4
151	110	Int. Computers £1	130	−6	0.65	32.9	0.8	5.4
30	25	James (John)	25½	......	†d2.12	1.3	12.8	7.9
31	25	James (M) 10p	26	−1	2.57	ϕ	16.2	ϕ
422	315	Jardine M. SHK$	332	+2	Q63c	ϕ	2.0	ϕ
11	8	Jentique 5p	8	......	†0.49	2.4	9.5	6.8
22	13	Johns'n & B. 12½p	13	......	hd0.78	1.4	10.5	(8.2)
42	32	Johnson Clnrs.	33½	−½	2.32	2.3	10.7	6.3
390	325	Johnson Mthy. £1	370	−8	10.23	4.5	4.2	8.0
32	15	Judge Int.	15	−1	†1.35	1.7	‡	—
24½	19	Kalamazoo 10p	22	......	1.57	1.4	11.0	10.0
54	45	Kelsey Inds. 12½p	46	......	2.63	3.5	9.0	4.8
20	14	Kennedy Sm. 10p	14	......	1.38	1.9	15.2	5.4
660	525	Kershaw (A.) 5p	650	......	12.87	0.6	3.0	(16.2)
230	175	Kleeman	175	......	4.16	5.6	3.7	7.5
45	27	Kode Int.	38	−2	1.33	3.3	5.4	8.7
74	61	L.C.P. Hlds.	63	−2½	†3.9	2.4	9.5	9.3
26	22	L.K. Ind'l. Invs.	25	......	2.14	1.8	13.7	6.1
39½	37	L.R.C. Int. 10p	37	−2	†2.0	1.1	8.3	16.6
90	69	Lamson Inds.	83	......	2.5	2.2	4.6	15.4
42	18	Lawtex	18	......	‡2.58	2.0	‡	—
156	118	Lead Inds. 50p	146	−1	5.09	ϕ	5.4	ϕ
	55	Leadenhall Stg.	60	......	3.32	ϕ	8.7	ϕ
	42	Le Bas (Ed.)	68	−1	1.48	13.3	3.3	3.5
	37	Leboff Fobel 10p	37	−1	1.48	ϕ	6.3	ϕ
	42	Lebus Harris	46	−3	2.93	3.2	9.8	3.6
	27	Leigh Ints. 5p	29	......	0.83	ϕ	4.4	ϕ
	73	Leisure Car. 10p	80	......	4.82	ϕ	9.6	ϕ
	90	Lep Group 10p	90	−5	2.54	5.9	4.3	5.3
64½	35½	Lesney Prods. 5p	60	−2	†2.34	5.5	6.2	5.8
77	61	Letraset 10p	72	−2	†2.54	4.6	5.4	12.1
14½	8½	Liden 10p	9	−1	—	—	—	—
39	31	Light & Leis. 10p	34xd	......	†2.0	3.7	9.0	8.0
27	11½	Lindsay & Wms.	11½	......	—	—	—	—
68	57	Lindustries	64	......	†3.76	3.4	9.0	4.7
35	26	Lipton (L.)	27½	......	1.0	ϕ	5.6	ϕ
47	33	Lon. & Nthn. Grp.	33	......	3.35	1.7	15.6	5.6
17	12½	Long Hmbly. 10p	14	−1	†1.29	2.0	14.2	5.9
36	29	Longton Trans.	32	−3	‡2.84	(1.9)	13.6	5.8
55	50	Lonsdale Univsl.	50	−1	3.77	2.3	11.6	5.7
170	140	Low & Bonar 50p	150	......	8.87	2.3	9.1	5.9
82	40	MK Refrig'n 10p	70	−4	d2.51	3.7	5.5	7.6
47	36	M.Y. Dart 10p	37xd	......	†1.37	4.1	5.7	6.5
18	13	Macanie Ldn. 10p	15½	......	1.47	1.1	14.6	9.4
96	78	M'c'rthy Ph. 20p	78	−1	†3.52	2.8	6.9	8.7
56	53	Macfarlane Gp.	54	......	3.13	1.7	6.9	10.2
175	126	McBride Rbt. 10p	163	−9	3.99	4.3	3.8	6.1
26	18	McCleery L'A	18	......	1.84	2.7	15.7	3.6
53	36½	Macpherson (D.)	45	......	2.14	2.8	7.3	7.6
20	16½	Md'me Tus'ds 5p	18½	−½	0.89	2.6	7.4	8.8
77	59	Magnolia Mfg. 10p	63	−1	2.19	6.5	5.4	4.4
68	57	Mngmt. Ag. M. 10p	57	−3	5.2	2.4	14.5	4.4
	156	Man. Ship Can. £1	173	......	12.67	1.8	11.3	7.6
	22	Marks (A.) 10p	22	......	1.35	—	9.4	—
15½	12½	Marling Ind. 10p	13	......	g0.93	5.0	11.0	3.0
	20½	Marshall L'xy. 'A'	27	−1	2.02	7.0	11.5	3.9
	112	Marshall's Univ.	128	−2	♦6.04	ϕ	7.4	ϕ
	108	Martin-Black	108	−3	4.0	5.1	5.7	5.3
	65	Maynards 25p	65	−3	†3.94	3.7	9.3	4.5
	14	Medminster 10p	14	......	†1.62	1.0	‡	8.8
	10	Mentmore 5p	10	......	0.83	ϕ	13.5	ϕ
	256	Metal Box £1	256	−4	†12.1	2.6	7.3	8.9
	63	Metal Closures	69	......	3.43	2.6	7.6	7.7
	25	Mettoy	25½xd	−1½	†1.87	ϕ	11.3	ϕ
	150	Miln. Mrstrs. 50p	150	−3	g6.94	2.1	7.1	11.5
	34	Mit. Cotts. Tr'sp'l.	41	−1	†2.72	2.0	10.2	6.4
258	£171	M'santo 5pc 82-6	£230	−7	Q5%	11.9	2.2	—
	19	Mono Containers	26	......	2.0	ϕ	11.8	ϕ
	1	Monument 10p	2¾	......	—	—	—	—
	76	Morgan Crucible	88½xd	−2½	4.29	ϕ	7.5	ϕ
	32	Moss (Robt.) 10p	40	......	†2.04	1.0	7.9	(20.0)
	10	Movitex 10p	10½	......	—	—	—	3.7
	7¼	MPI 5p	8½	−¼	—	—	—	—
	80	Myson Gp. 10p	84	......	3.78	2.7	6.9	6.2
	35	Nathan (B. & I.)	35xd	−6	2.72	1.6	12.0	7.8
	20	Nat. C'rb'ng 10p	24	−2	0.65	8.6	4.2	4.3
	£41½	N.C.R. 4% 93-98	£43½	−1	Q4%	ϕ	19.6	
	36	Negretti & Zambra	46	+1	2.69	2.0	9.0	6.8
	20	Neil & Sp'ncer 10p	23	......	—	—	—	8.3

INSURANCE

1976 High	1976 Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's	P/E
*86	71	Bowring (C.T.)	72xd	−2	†2.64	2.6	5.6	12.0
108	82	Brentnall Bd. 10p	100	−6	†5.43	2.7	5.3	13.3
156	128	Britannic 5p	128	......	7.47	—	9.0	—
950	720	Combined Am. $1	750	−10	†Q66c	—	5.0	—
158	114	Comm. Union	116	−2	6.77	—	9.0	—
144	118	Eagle Star	118	−2	4.99	—	6.6	—
£128½	£117	Ennia U.K. 9%Cnv	£117xd	......	Q9%	—	(8.0)	—
184	146	Equity & Law 5p	146xd	−4	5.44	—	5.7	—
190	156	Gen. Accident	156	−2	5.81	—	5.7	—
225	189	Guardian Royal	189	−3	8.27	—	6.7	—
*422	264	Heath (C.E.) 20p	412xr	−4	†13.0	ϕ	4.9	ϕ
187	143	Hogg Robinson	160	−5	†h3.23	3.7	3.1	13.3
176	126	Howden (A.) 10p	156	−2	2.47	4.8	2.4	11.8
148	114	Legal & Gen. 5p	114	−4	4.65	—	6.3	—
139	94	Les. & Gdwn. 10p	121	+1	3.69	2.5	4.6	12.9
140	102	Lon. & Man. 5p	102	−2	4.64	—	7.0	—
64	52	London United 5p	58	−1	3.42	1.8	8.7	9.6
226	154	Matthews Wr. 20p	205xd	......	8.04	2.0	6.0	13.0
140	100	Minet Hldgs. 20p	122xd	−1	3.39	2.3	4.3	15.5
250	188	Pearl 5p	188	−4	10.24	—	8.4	—
240	198	Phoenix	200xd	......	8.42	—	6.5	—
148	125	Provident "A"	125	......	6.65	—	8.2	—
148	125	Do. "B"	125	......	6.66	—	8.2	—
146	119	Prudential 5p	119	−2	5.41	—	7.0	—
130	102	Refuge 5p	102	−2	6.83	—	10.3	—
352	290	Royal	290	......	13.39	1.2	7.1	18.2
282	238	Sedg. Forbes 10p	262	−6	7.81	1.7	4.6	19.1
*113	84	Stenhouse	105	......	†3.63	2.0	5.3	14.7
470	390	Sun Alliance £1	395xd	......	16.4	—	6.4	—
98	72	Sun Life 5p	72	......	†2.79	—	6.0	—
870	695	Taisho Mar. EDR	760	+15	Q11%	—	1.2	—
157	150	Trade Indemnity	153	......	6.83	—	6.9	—
£27	£20¾	Travelers $2.50	£23	−⅛	Q$1.08	—	2.6	—

MOTORS, AIRCRAFT TRADES

Motors and Cycles

1976 High	1976 Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's	P/E
36	22	Brit. Leyland 50p	27	−1	—	—	—	—
305	230	Gen. Mtrs. Units	296	+14	12c	1.8	2.3	26.6
30	21	Lotus Car 10p	28	+½	‡2.0	1.1	‡	—
9¼	7	Reliant Mtr. 5p	7	......	0.17	5.6	3.8	7.2
*69	53½	Rolls-Royce Mtrs.	56	−1	†3.5	2.0	9.6	7.9
£29	£21½	Volvo Kr50	£25xd	......	Q12%	1.4	2.5	24.6

Commercial Vehicles

1976 High	1976 Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's	P/E
25	16	Crane Frueh. 10p	17	......	0.89	ϕ	8.0	ϕ
38	21	E.R.F. (Hldgs.)	26	−1	‡2.56	2.9	‡	—
21	16	Fodens (50p)	18	......	0.32	20.3	2.8	1.9
16	11	Peak Invests. 10p	13xd	−½	20.5	—	5.9	—
94½	74	Plaxtons	75xd	−1	d5.9	2.1	12.1	6.2
30	24	York Trailer 10p	24½xd	......	1.74	1.5	11.0	9.1

Components

1976 High	1976 Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's	P/E
36	28	Abbey Panels	32	......	d2.6	3.6	12.5	3.4
30	22	Airflow Stream.	27½	−1	3.75	0.9	21.0	8.4
78	64½	Armst'ng Eq. 10p	68	−2	†1.69	5.0	3.8	8.1
94	74	Assoc. Eng'g.	84½	−2	†3.66	2.9	6.7	8.1
62	45	Automotive	55	−1	1.66	3.6	4.8	9.0
47	35½	Bluemel Bros.	44	......	3.03	1.7	10.6	8.4
18½	13½	Brown Bros. 10p	14	−½	0.6	2.7	6.6	8.7
85½	69	Clayton Dewandre	78	−½	5.72	1.7	11.3	7.8
182	142	Dowty 50p	149	−3	†5.03	3.0	5.2	9.8
98	69	Dunlop 50p	78xd	......	3.57	4.3	7.0	5.0
36	30	Flight Refuelling	30	−1	2.32	ϕ	21.9	ϕ
11½	8½	Hmm Smith 10p	10½	......	0.39	7.0	5.8	3.5
67	42	Honchin	59	−1	2.0	3.9	5.2	7.6
35	14	Kwik-Fit Hldgs.	26	......	20.5	—	3.0	5.9
*222	177	Lucas Inds. £1	200	......	b7.36	4.2	5.7	7.1
112	100	Stockfis Robert	105	......	6.23	3.7	9.1	4.5
29	18	Supra Group 10p	18	−2	0.84	3.5	7.2	6.1
73	63	Turner Mfg.	63	......	3.25	ϕ	7.9	ϕ
55	32½	Wilmot Breeden	46½	−1½	2.45	1.3	8.1	13.4
107	84	Woodhead (J.)	90	−2	5.7	3.3	9.7	4.8
51	37	Zenith 'A' 50p	43	−1	2.62	0.8	9.4	10.3

Garages and Distributors

1976 High	1976 Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's	P/E
64	47	Adams Gibbon	50	−2	3.6	4.4	11.1	3.1
7½	4	Alexanders 5p	6¾	......	—	—	—	—

MINES—Continued

FAR WEST RAND

1976 High	1976 Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
710	350	Blyvoor 25c	490	−10	†Q100c	1.3	[illegible]
£14	735	Buffels R1	£10½	−¼	Q150c	1.4	10.2
198	95	Deelkraal R0.20	142	−3	—	—	—
760	330	Doornfontein R1	415	−15	†Q110c	1.4	[illegible]
965	640	East Drie R1	790	......	Q75c	1.7	[illegible]
280	160	Elandsrand Gld 20c	195	−10	—	—	—
190	112	Elsburg R1	135	......	[illegible]	1.0	[illegible]
£16½	£11¼	Hartebeest R1	£13¼	−¼	Q215c	1.4	9.5
695	420	Kloof Gold R1	430	......	Q55c	1.4	6.8
760	400	Libanon R1	450	−20	†Q110c	1.9	[illegible]
740	335	Southvaal 50c	540	−10	[illegible]	1.3	[illegible]
295	140	Stilfontein 50c	195	......	[illegible]	2.2	[illegible]
£20½	£10¾	Vaal Reefs 50c	£15¼	......	[illegible]	2.1	[illegible]
420	175	Venterspost R1	205	−10	†Q70c	1.9	[illegible]
£35	£19¾	W. Drie R1	£25	−½	[illegible]	1.2	[illegible]
315	165	Western Areas R1	210	......	Q52c	1.4	14.7
£15¾	790	Western Deep R2	£10	−¼	[illegible]	1.6	[illegible]
290	190	Zandpan R1	235	−5	[illegible]	1.3	[illegible]

O.F.S.

1976 High	1976 Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
170	75	Free State Dev. 50c	110	......	[illegible]	1.6	7.5
£22½	£12	F.S. Geduld 50c	£14½	−¼	[illegible]	1.3	[illegible]
200	57	F.S. Saaiplaas R1	170	−5	[illegible]	[illegible]	[illegible]
465	295	Harmony 50c	390	−10	Q65c	ϕ	[illegible]
195	70	Loraine R1	125	−5	[illegible]	0.5	2.8
£18½	950	Pres. Brand 50c	£13	−½	[illegible]	1.3	[illegible]
£13	700	Pres. Steyn 50c	800	−10	[illegible]	2.2	[illegible]
£23	£12	St. Helena R1	£15¼	−½	[illegible]	1.2	[illegible]
174	86	Unisel	120	−5	—	—	—
330	220	Welkom 50c	265	−10	[illegible]	1.7	[illegible]
£25½	£14	W. Holdings 50c	£17¼	......	[illegible]	1.5	[illegible]

FINANCE

1976 High	1976 Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
530	315	Ang. Am. Coal 50c	460	+10	[illegible]	2.0	[illegible]
375	235	Ang. Amer. 10c	296	−2	[illegible]	1.9	[illegible]
£28¼	£17½	Ang. Am. Gold R1	£22½	−¼	[illegible]	[illegible]	[illegible]
£13	850	Ang. Vaal 50c	£12½	+½	[illegible]	3.7	[illegible]
199	118	Charter Cons.	153	−3	[illegible]	[illegible]	[illegible]
220	146	Cons. Gold Fields	179	−1	[illegible]	4.3	[illegible]
23½	15	East Rand Con. 10p	16½	+½	1.0	ϕ	[illegible]
330	185	Gedald Inv. R1	250	+5	[illegible]	1.5	[illegible]
£25	£15½	Gen. Mining R2	£17½	......	[illegible]	[illegible]	[illegible]
£22½	£14½	Gold Fields S.A. 25c	£17½	−1	[illegible]	1.3	[illegible]

MISCELLANEOUS

1976 High	1976 Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
10	8	Burma Mines 17½p	9	......	0.1	ϕ	1.8
39½	23	Charterhall 5p	26	−1	—	—	—
965	580	Cons. Murch. 10c	830	+30	Q50c	1.8	5.7
55	28	Laurasia	44	−1	—	—	—
455	245	Northgate C$1	355	+5	Q25c	0.3	3.7
239	178	R.T.Z.	216	−1	5.42	2.1	3.9
112	84	Sabina Inds. C$1	84	......	—	—	—
£13½	£10	Tara Expln. $1	£13½	+1	—	—	—
132	84	Yukon Cons. C$1	132	+2	—	—	—

NOTES

Unless otherwise indicated, prices and net dividends are in pence and denominations are 25p. Estimated price/earnings ratios and covers are based on latest annual reports and accounts and, where possible, are updated on half-yearly figures; they are adjusted to ACT of 35 per cent. P/Es are calculated on the basis of net distribution, bracketed figures indicate 10 per cent. or more difference if calculated on "nil" distribution. Covers are based on "maximum" distribution. Yields, assuming maintenance of net dividends on current rate of ACT, are based on middle prices, are gross and allow for value of declared distributions and rights. Securities with denominations other than sterling are quoted inclusive of the investment dollar premium.

- A Sterling denominated securities which include investment dollar premium.
- ● "Tap" Stock.
- * Highs and Lows marked thus have been adjusted to allow for rights issues for cash
- † Interim since increased or resumed
- ‡ Interim since reduced, passed or deferred.
- ‡‡ Tax-free to non-residents.
- ϕ Figures or report awaited.
- †† Unlisted security.
- ¢ Price at time of suspension.
- ¶ Indicated dividend after pending scrip and/or rights issue: cover relates to previous dividend or forecast.
- •• Free of Stamp Duty.
- ♦ Merger bid or reorganisation in progress.
- ‡ Not comparable.
- ♦ Same interim, reduced final and/or reduced earnings indicated.
- § Based on 1973 profits
- † Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividend.
- ☆ Cover does not allow for shares which may also rank for dividend at a future date. No P/E ratio usually provided.
- ¥ Excluding a final dividend declaration.
- ✦ Regional price.
- ‖ No par value

a Tax free. b Figures based on prospectus or other official estimate. c Cents. d Dividend rate paid or payable on part of capital; cover based on dividend on full capital. e Redemption yield. f Flat yield. g Assumed dividend and yield. h Assumed dividend and yield after scrip issue. j Payment from capital sources. k Kenya. m Interim higher than previous total. n Rights issue pending. q Earnings based on preliminary figures. r Australian currency. s Dividend and yield exclude a special payment. t Indicated dividend: cover relates to previous dividend, P/E ratio based on latest annual earnings. u Forecast dividend: cover based on previous year's earnings. v Tax free up to 30p in the £. w Yield allows for currency clause. y Dividend and yield based on merger terms. z Dividend and yield include a special payment. Cover does not apply to special payment. A Net dividend and yield. B Preference dividend passed or deferred. C Canadian. E Issue price. G Assumed dividend and yield after pending scrip and/or rights issue. K Figures based on prospectus or other official estimates for 1976-77. M Figures based on prospectus or other official estimates for 1976. N Dividend and yield based on prospectus or other official estimates for 1976. Q Gross. T Figures assumed. U No Significant Corporation Tax payable. Z Dividend total to date.

Abbreviations: xd ex dividend; xc ex scrip issue; xr ex rights; xa ex all; xd ex capital distribution.

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FINANCIAL TIMES
Saturday May 29 1976

MAN OF THE WEEK

Keeper of the House's conscience

BY PETER HENNESSY

MR. ROBIN Maxwell-Hyslop is one of those quirky, independent spirits who occasionally rise from the Commons back benches to haunt the Government and confound those sages who, long ago, wrote off Parliamentary supremacy as a defunct doctrine.

On Monday afternoon, at a meeting to determine Tory strategy during the report stage of the Aircraft and Shipbuilding Bill, it dawned on him that it might be "hybrid" and require consideration by a Select Committee to which companies excluded from its provisions could petition for equal treatment with those included. The next day Mr. Maxwell-Hyslop raised it as a point of order. On Wednesday, the Speaker ruled that it was indeed a hybrid Bill. All hell was let loose, culminating in scenes of wild disorder in the Chamber late on Thursday night when the Government saved its Bill by the disputed vote.

It was particularly appropriate that the glory should have gone to Mr. Maxwell-Hyslop as he combines a formidable knowledge of Parliamentary procedure with a

passionate concern for the well-being of the British engineering industry. He worked for Rolls-Royce for six years, starting by "boring and drilling" as a graduate trainee in the machine room, and ending up as an assistant to the managing director. "I was in the export sales department in the years when we were smashing the world market," he recalled with pride.

He takes both his love of engineering and his concern for the dignity of Parliament to great lengths. He sleeps with copies of Erskine May and Standing Orders at his bedside, and he drives around London in a green 1948 Morris 8 which he is constantly stripping down and rebuilding.

This week's episode was just one of some several laurels in his Parliamentary crown. For years, he has complained that over 60 per cent. of legislation goes through Parliament in the form of statutory instruments which MPs cannot amend. In 1969, as a protest, he stayed up all night and sat for 14 hours in the corridor outside the Public Bill Office so that when it opened at 8 o'clock in the morning he was able, on a first come first serve basis, to grab all 70 places for introducing motions under the Ten Minute Rule.

Mr. Maxwell-Hyslop, a tall, jolly man with fine features and an impish smile, conceals a very firm sense of principle behind that nonchalant, slightly eccentric facade. (He wears shapeless suits of timeless design and rather loud shirts). Parliament must remain relevant to national life or it will die, he argues. "There is not a law of nature that Britain will always have Parliamentary government."

One person who does share his enthusiasm is his wife Anna, who, having worked in the office of the Serjeant-at-Arms, knows all about Parliamentary procedure. For all his precise knowledge of procedure and the internal mechanisms of his old car, he needs her to keep him in order, he says, as he shuffles round his littered office looking for the document he was later to use in the Commons chamber in his assault on collectivism and the tyranny of Mr. Michael Foot, Leader of the House. "Security through chaos," he adds, disarmingly, when he eventually finds them.

Mr. Maxwell-Hyslop does not care to be included in the libertarian pantheon along with Wilkes, Hampden and the rest. "I'm basically an anti-hero person," he says, adding a faintly fruity remark indicating that libertarianism sounds all too like permissiveness for his tastes.

He does, however, reflect the genius of the old "country party" element among the Tories. In manner and appearance, he embodies the old rural virtues of pre-industrial England. But on top of those broad shoulders sits a very shrewd and worldly-wise head. His bucolic appearance is usefully deceptive. His Rolls-Royce days and his career in the House show him to be far from a simple, rustic backwoodsman.

Nonetheless, one feels that if his Tiverton constituents did not at some point last week celebrate their MP's triumph by lighting the odd bonfire, quaffing a yard of ale and crying "God for England, Liberty and Robin Maxwell-Hyslop" they jolly well should have done.

Industry less hopeful on Price Code

BY ELINOR GOODMAN, CONSUMER AFFAIRS CORRESPONDENT

INDUSTRY LEADERS now fear the value to companies of the July changes in the Price Code will be far less than they had expected on the basis of the Prime Minister's speech on price controls last week.

After three separate meetings yesterday between Mrs. Shirley Williams, Prices Secretary, and representatives of the Food and Drink Industries Council, the Confederation of British Industry and the Retail Consortium, there was serious disappointment at the Government's apparent unwillingness to meet industry's demands in full.

However, some of those present took comfort from Mrs. Williams' recognition of the need to improve the present level of overall profitability and to continue some form of investment relief scheme in any future price control mechanism.

While Mrs. Williams did not rule out completely any of industry's demands, she appeared reluctant to implement virtually any of them in full. While she intended raising the proportion of investment expenditure which companies are allowed to pass on in higher prices, she did not accept the CBI's proposals that companies should be free to pass on the full cost of investment expenditure in prices.

Nor was she very keen on including working capital on the list of items qualifying for the investment relief. Similarly, though she would raise the proportion of labour cost increases which companies can reflect in their prices, she would not abolish the "productivity deduction" altogether as industry has asked.

She seemed equally lukewarm about what the CBI regards as the key issue of input costing although she appeared anxious to find some way of allowing businesses to reap the benefits of increased efficiency.

The CBI wants companies to have the option of calculating their price increases on rises in input costs and not just on output costs at present.

Officials within the Department of Prices still regarded input costing as impractical. But the CBI delegates felt that they made some progress towards convincing the Minister that there were no practical objections to such a change. Another meeting is to be held with Mrs. Williams next week to discuss this point.

Last week, the Prime Minister told the CBI that the Price Code would be changed in a number of key areas. The present investment scheme would be improved and the productivity deduction "reviewed." Some changes would also help offset the effects of inflation on stock appreciation and depreciation of assets, and steps would be taken to deal with the way the Code could penalise companies when their output expanded or when their costs fell.

Representatives left the meetings, however, feeling that though the Government would honour its undertaking in all the areas mentioned, the changes would be far less than were needed to restore industrial confidence and lead to a real increase in investment.

The Food and Drink Industries Council also asked the Minister to increase the scope of the present safety nets in the Code against low profits. Mrs. Williams, however, preferred other changes to enable companies to improve their profits and thus rise above the need to evoke safety nets.

She indicated that the measures the Department was considering would be of particular help to the food industry, given its need to finance escalating raw material prices. The Government would apparently use some crude inflation factor to offset the effect of inflation in stock appreciation and depreciation.

Shipyards must slim to survive: Callaghan

By Ray Perman, Scottish Correspondent, in Largs

BRITAIN'S shipbuilding industry must be slimmed if it is to survive, Mr. James Callaghan said yesterday. Reiterating the Government's intention of pressing on with the Bill to nationalise the shipbuilding and aircraft industries, the Prime Minister told the annual conference of the Boilermakers' Association here: "This is a struggle for jobs."

No Government and no industry could afford to ignore warning signs of a world capacity of about 50m. tons against world orders of 15m. tons. If we were to deal with the situation in an orderly way then the shipbuilding industry would have to have a planned future on a national basis under common ownership.

"We believe this is in the national interest and the interest of the men who work in the industry."

Mr. Callaghan added that it was vital for an economic, home-based shipbuilding industry to be maintained. This was essential for defence purposes and we could not allow it to be wrecked by tides sweeping the world.

"It must survive even though it must be slimmed," he said.

It was the sensible and the practical way for us to plan to meet competition from yards being built all over the world.

The Government was seeking an international solution and was bargaining and discussing ways to control damaging international practices which were not in the long-term interests of ourselves or other countries.

The Government also was seeking to enter into early consultation with trade unions about the future of the industry.

To survive, Mr. Callaghan said the industry would have to face hard decisions. Production would have to be increased and delivery dates would have to be kept.

Oil companies welcome North Sea licence terms

BY RAY DAFTER, ENERGY CORRESPONDENT

THE GOVERNMENT seems to have prepared the way for a big oil industry response to the next round of offshore oil licences.

Oil companies yesterday gave a qualified welcome to the draft terms for the fifth round of production licences, which are expected to be awarded around the turn of the year. Many senior executives said that the conditions under which the British National Oil Corporation will take a stake in virtually all licences were more favourable to the industry than envisaged.

The state-owned Corporation is to have a 51 per cent. stake in all of the 50 to 60 blocks to be awarded except those involving the British Gas Corporation. In these cases, the state corporations total interest will be a minimum of 51 per cent.

One senior U.S. company executive commented yesterday, "In general, the licence terms are better than expected. We must be glad that the Government has not been panicked into being too restrictive. I feel that Britain has come back to being a leader in licence terms."

The industry is particularly concerned about the conditions covering the relinquishment of licences. At present the industry must hand back to the Government at least half of the licence areas after six years. Under the published terms of the next round—the fifth—companies would have to relinquish at least one-third of the new acreage after four years and a further third after another three years.

The Government has deliberately tightened up the terms in order to stimulate early exploration activity. The companies maintain, on the other hand, that the conditions could restrict possible major exploration programmes. They say that this would be the case particularly if the licences involve a number of small concessions, single blocks, partial blocks and small relinquished areas, for example. There is a feeling that the fifth round—which is much smaller than the earlier ones—will include a substantial proportion of these areas.

Another area of concern likely to be raised in talks with the Government centres on BNOC's involvement in development. Although companies appear to accept the option of the corporation to withdraw from development programmes, or to be involved as a commercial partner, they are less happy about a third option open to BNOC.

The British Gas Corporation has already indicated it is likely to bid for new concessions; not only in prospective gas producing areas like the Irish Sea but also the North Sea.

It is almost certain that if the corporation finds oil, perhaps in association with exploration partners, it will sell the crude on a commercial basis to BNOC. Similarly if the corporation finds gas through all its participation deals it will sell the product to British Gas.

Go-ahead for Baltic office plan

Financial Times Reporter

THE GOVERNMENT has given the all-clear to the Baltic Exchange to redevelop the former Port of London Authority warehouses in the City of London as a new headquarters.

The Baltic hopes to begin work on the 779,000 square feet office, residential, and retail scheme—costing perhaps £40m.—before August 1, thereby avoiding Development Land Tax.

Last-minute bid to save Unctad talks as differences persist

BY REGINALD DALE

NAIROBI, May 29.

DETERMINED last-minute efforts were still under way here early this morning to head off the threat of a new crisis in relations between the world's rich and poor countries.

As time ran out on the fourth United Nations Conference on Trade and Development (Unctad IV), small groups of Ministers were meeting privately in the Nairobi Hilton to hammer out an 11th-hour compromise on the key political issue of the month-long talks, the developing countries' demand for a new common commodities fund to finance future world trade in raw materials.

After more than three weeks of largely fruitless discussion it was clear that the industrialised and developing countries were for the first time getting down to serious negotiations at the very moment the conference had been due to end. A unanimous late-night decision was taken to prolong the talks for "at least a day."

Success or failure of the 154-nation conference still hung in the balance, though tentative signs of optimism were emerging from the Western camp. As the two sides at last got to grips with the major problems of raw materials, the industrialised countries finally agreed on a preliminary offer on debt relief, another key agenda issue after many hours of wrangling between the U.S. and the EEC.

Both sides seemed increasingly conscious of the consequences of failure. The developing countries have clearly warned that a breakdown in the talks here would almost certainly provoke the Third World to return to confrontation against the industrialised countries. The "North-South dialogue" in Paris would be jeopardised and the West could expect little sympathy when decisions were taken on the price of oil and other raw materials, they have said.

Determination to make a final bid was exemplified by a British announcement late to-night that the U.K. was withdrawing its earlier objections to an EEC paper committing the Community to start negotiations on the common fund within two years. The move, described as a "major shift" in British policy, left West Germany alone of the Nine in opposing the principle of the common fund.

The workmanlike mood was in marked contrast to last night's near-fiasco when the Western group failed to agree on a joint negotiating stance on the fund, and put two different position papers in the developing countries.

Continued from Page 1

Drawing from IMF considered

increase of well over 20 per cent. per annum in the narrowly based "M1" indicator.

A programme of exchange rate stabilisation would require international loans or guarantees, whether it involved re-pegging the rate or merely trying to hold it in the market. It might also involve guarantees to sterling holders similar to those given after the 1967 devaluation.

For the moment, top priority is being given still to smoothing the climate for the special TUC conference on June 16 to approve the pay deal. But the situation — familiar to Mr. Callaghan — has been reached where domestic economic policy is once more dependent on day-to-day events in the foreign exchange market.

● According to Washington sources, the British Government has been thinking in terms of a further drawing from the International Monetary Fund next autumn or the spring of next year. The $360m. addition to its earlier drawing, to which the U.K. is entitled under the special quota increase, in all probability would be amalgamated with the normal second tranche.

This would give a total drawing of over $1bn. in the next stage, with a further sum of approximately $2bn. available before the whole of the U.K.'s quota is exhausted.

The IMF would be happy under appropriate conditions to finance an increase of imports associated with British economic recovery. But it is just as reluctant as the British Chancellor to sanction a drawing to support the pound against immediate foreign exchange pressures.

On the other hand, the $3bn. swap network with the Federal Reserve, which exists to meet short-term hot money movements, had not been drawn by yesterday afternoon. Events could still lead to an earlier drawing from the Fund than either side would like.

The IMF delegation in London arrived back in Washington this week impressed by the new opportunities made available to the U.K. by the pay policy and the country's competitive export position. But it was concerned that these opportunities might be thrown away because of an excessive public sector borrowing requirement which, in turn, might impinge on money supply.

The IMF delegation did not suggest that the time had come for immediate cuts. But it was unhappy both with the borrowing requirement for 1976-77 and with the time path for its reduction. It was afraid that excessive public borrowing would "crowd out" the potential rise in industrial investment.

The well-known policy of the Fund is to err on the side of safety in financial matters. Its preference would be for a borrowing requirement about £2bn. lower for this year and similar reductions in domestic credit expansion and in the growth of the money supply. But actual discussions were in terms of quarter to quarter changes rather than in single financial years.

The Fund's main emphasis was on reducing public sector borrowing from its present levels of 11 per cent. of the national income to about 3 per cent. over a three-year time-table and to move much more steeply in the earlier stages than appeared likely from British official projections.

Weather

U.K. TO-DAY

CLOUDY with bright intervals. Some rain later.

London, S.E. England, E. Midlands

Mostly dry with bright spells becoming cloudy with rain. Near normal temps. Max. 17C (63F).

E. Anglia, E., N.E., Cent. N. England

Cloudy with scattered showers. Rain later. Rather cool. Max. 15C (59F).

Cent. S., N.W. England, W. Midlands, Channel Isles, Wales

Dry, cloudy, rain later. Near normal. Max. 15C (59F).

N.W. England, Lake District, Isle of Man, S.W. Scotland, Glasgow, N. Ireland

Cloudy, some rain. Near normal. Max. 14C (57F).

Borders, Rest of Scotland

Cloudy, rain. Rather cool. Max. 12C (54F).

Outlook: Unsettled. Showers. Some bright spells. Temps near or below normal.

Lighting-up: London 21.10. Manchester 22.00. Glasgow 22.20. Belfast 22.20.

BUSINESS CENTRES

		Y'day mid-day °C	°F			Y'day mid-day °C	°F
Alexandria	F	25	77	Luxemb'g	C	17	63
Amsterdm.	C	18	65	Madrid	C	22	72
Athens	F	22	72	Manchstr.	F	17	63
Barcelona	C	22	72	Melbourne	F	15	59
Belfast	C	12	54	Milan	S	20	68
Belgrade	R	13	55	Montreal	S	20	68
Berlin	C	13	55	Moscow	F	19	66
Birmghm	F	17	63	Munich	F	15	59
Bristol	F	17	63	Newcastle	R	11	52
Brussels	C	13	55	New York	S	29	84
Budapest	C	18	64	Oslo	F	13	55
B. Aires	C	16	61	Paris	S	20	68
Cairo	S	31	88	Perth	F	24	75
Cardiff	F	15	59	Prague	F	17	63
Cologne	C	14	57	Reykjavik	S	11	52
Copnhagn	C	7	45	Rome	S	21	70
Dublin	C	12	54	Singapore	S	31	88
Edinb'rgh	C	13	55	Stockholm	C	8	46
Frankfurt	F	17	63	Strasbourg	F	18	64
Geneva	S	17	63	Sydney	F	17	63
Glasgow	C	14	57	Tehran	S	25	77
Helsinki	S	12	54	Tokyo	C	25	77
Hong Kong	S	25	82	Toronto	S	20	68
Jo'burg	S	24	75	Vienna	R	15	59
Lisbon	F	17	63	Warsaw	R	12	54
London	C	18	64	Zurich	S	17	63

HOLIDAY RESORTS

		Y'day mid-day °C	°F			Y'day mid-day °C	°F
Ajaccio	C	21	70	Istanbul	S	21	70
Alg'rve	C	22	72	Jersey	S	20	68
Biarritz	F	19	66	Locarno	S	21	70
Blackpool	C	18	64	Malaga	S	23	73
Bordeaux	S	26	79	Malta	S	25	77
Boulogne	S	14	57	Nairobi	C	21	70
Casablnca	C	20	68	Naples	F	22	72
Cap. Tn.	S	19	66	Nice	F	29	85
Corfu	C	20	68	Oporto	C	15	59
Dubrovnik	F	19	66	Rhodes	F	22	72
Faro	C	20	68	Salzburg	S	17	63
Funchal	F	19	66	Tangier	C	19	66
Gibraltar	F	21	70	Tenerife	C	16	61
Guernsey	S	19	66	Tunis	S	24	75
Innsbruck	C	18	64	Valencia	F	23	73
Inverness	C	12	54	Venice	S	20	68
I. of Man	C	12	54				

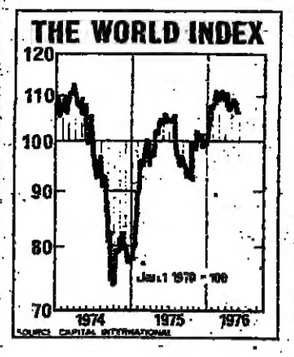
F—Fair. S—Sunny. C—Cloudy. R—Rain.

THE LEX COLUMN

Parallels around the world

Share prices in London are broadly reflecting a world-wide setback in equity markets. The World Index prepared by Capital International has been pointing in the same direction as the 30-Share Index for many months now, with a sharp rally over the New Year followed by a prolonged sideways movement and a dive back towards last summer's high points. Since Wall Street hit its peak just over a month ago, most of the world's markets have been falling back under the pressure of higher money costs. The parallels in Europe are especially striking. The London market is about a tenth off the top—and so are the main indices in Germany, France, Holland and Belgium.

Index fell 0.8 to 380.4



A measure of stability in the foreign exchange market would most probably produce a rally in U.K. share prices. In the technical sense, after all, a near 30-point fall in the 30-Share Index over the past six days trading has left prices more oversold than they have been for a long time. And although the number of bargains marked this week has picked up to the highest level seen since March, the value of the average bargain has fallen noticeably. In other words, it looks as though the falls may have been prompted more by small sellers than by the big battalions. Shares prices certainly recovered smartly yesterday after it became clear that Minimum Lending Rate was not going to be changed: the 30-Share Index was over 5 points down at one stage in the day.

One potentially helpful influence is the possibility that the rights issue queue may thin out over the summer. The specialists say that the next few weeks will bring one or two sizeable issues, but that things get duller thereafter. By recent standards, moreover, there is nothing exceptional about the level of the reverse yield gap. An upturn in company profits is now generally visible, and the National Institute report this week again painted a glowing picture of the health of the corporate sector over the next year.

Nevertheless the bull market psychology has taken a severe jolt in the past week. By breaking out of its long-established trading range—in the wrong direction—the market has entered an uncertain new phase. And although the authorities did not try to push interest rates up yesterday there is no guarantee that their hand will not be forced again in the very near future.

However, the sterling crisis is going beyond the stage where the simple interest rate weapon would be of any use. The talk from now on is going to be about what kind of package the Government might be forced to put together. Reconciling the hopes of the stock market—and sterling holders—with the requirements of the TUC, which meets on June 16, looks to be such a monumental challenge that at the moment it is difficult to take an optimistic stance.

Property buying

Indications of a much more active property market have been multiplying recently, highlighted by Eagle Star's £55½m. deal with English Property and Sun Life's bid for Artagen. But these are only the tip of the iceberg and some, though only some, of the familiar features of the early 1970s have reappeared with reports of intense competition for increasingly scarce quality properties, and even gazumping, as yields come down to 5½ per cent. for the very best investments.

Overall, institutional property purchases, which were running at just under £200m. a quarter last year (half the rate of equity buying), have increased sharply in the last few months. Richard Ellis, which handles many of the largest funds, talks of a rise in activity of a third above the level of a year ago, while Healey and Baker reports an increase of around a half. Although some insurance companies with heavy existing commitments have not increased their buying, the pension funds have provided a major source of extra demand. For instance, the local government re-organisation had created several very large new funds which have entered the property market for the first time, while other comparatively new funds have wanted to increase their proportion of property holdings from, say, 15 to 30 per cent.

Yet the extent of the build-up in buying also reflects a underlying change in sentiment partly on the view that rents have begun to stabilise. The continuation of tight dividend controls, and the end of the business rent freeze in March 1975 have suggested that property will, as in the past, show higher overall returns than equities. This has been shown not only by a desire to buy the small pool of quality properties while prices remain "cheap" but also in an increasing demand for reversions.

Some of these purchases are merely intended to maintain the proportion of property in a fund but some are undoubtedly at the expense of buying ordinary equities—an example could be made if Sun Life's bid for Artagen went through. Although official figures for the first quarter are not yet available, property purchases in recent months will probably be much nearer the total investment in Ordinary shares than last year. While the excesses of 1972-73 are unlikely to be repeated soon with the stabilisation in yields following the rise in interest rates, the level of buying is an indication of potential embarrassment. More attention is being focused on the flow of institutional funds to industry.

De Vere rebuff

Accountants seem to be getting touchier. A year ago, De Vere Hotels breezily charged £99,000 after tax to reserves on account of repairs and renewals. This year it has charged £106,000—and got a frosty qualification from auditors Moore Stephens for its pains. They say that De Vere's formula for allocating repair costs has proved inadequate in 1975 as a result of which after tax profits were overstated by some £100,000 compared with a published figure of £533,000. Curiously, perhaps, there is no direct reference to this in the chairman's statement, although he is pleased to point out that the group spent a "record sum on maintaining its high standards. See also page 14.

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